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ITAR-TASS Carries Press Review for 24 Jul

LD2407055993 Moscow ITAR-TASS in English 0541 GMT 24 Jul 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow, July 24 (TASS)—The principal topic in today's Russian newspapers is a decision taken by the Russian Parliament on Friday to strip former People's Deputy of the Russian Federation Vladimir Shumeyko of deputy's immunity as well as the parliamentarians' consent to institute criminal proceedings against the first vice-premier of Russia.

KOMSOMOLSKAYA PRAVDA, ROSSIYSKAYA GAZETA, SOVETSKAYA ROSSIYA and PRAVDA report that Russia's Prosecutor-General Valentin Stepankov applied to parliament for the institution of criminal proceedings against Shumeyko. Stepankov said the elements essential to a breach of trust are perceived in Shumeyko's actions and that it is possible to refute or prove them only during a preliminary investigation.

ROSSIYSKIYE VESTI reports a speech made in parliament by Grigory Bukhvalov, press secretary of the first vice-premier of Russia, who described the deputies' decision with regard to Vladimir Shumeyko as "an attempt to remove a political adversary".

The same newspaper carries an article by Bukhvalov who, on the strength of concrete facts, refutes a number of accusations brought against the first vice-premier and describes an uproar raised in a number of newspapers around his name as "yet another canard".

The press reports in detail the situation concerning another prominent state leader, Mikhail Poltoranin, the head of the Federal Information Centre (FIC) of Russia.

NEZAVISIMAYA GAZETA, while reporting the details of a search carried out in the office of Poltoranin by personnel of the office of the prosecutor-general of the Russian Federation on July 22, singles out Poltoranin's words that that was "a provocation" and that he had "suits-in-law ready to be filed against Russian Vice- President Aleksandr Rutskoy and Prosecutor-General Valentin Stepankov".

ROSSIYSKIYE VESTI, reporting the same, quotes the FIC chief as saying that what happened on July 22 "was an intimidation act".

SOVETSKAYA ROSSIYA, under the headline "The People's Destiny Was at Stake", carries an interview with Azerbaijani leader Geydar Aliyev who made an evaluation of events preceding his comeback to political activities in Baku and then to the leadership to the Republic of Azerbaijan, prospects for the development of the situation in the region as a whole, and Azerbaijani-Russian relations.

The same newspaper carries a detailed summary of remarks by Russian Parliament speaker Ruslan Khasbulatov during a discussion at the parliamentary centre. Khasbulatov again criticised the present policy course of the Russian Government, and particularly, the political course of the Russian Ministry of Foreign Affairs and the activities of electronic mass media.

Noteworthy among reports in the St. Peteresburg press is information in the newspaper ST. PETERSBURG GAZETTE which points out that the pilferage of St. Petersburg bridges by people for souvenirs has become a real scourge for the personnel of the local bridge-building organisation.

Bridge pilferers demonstrate much ingenuity managing to remove the city's cast-iron coats-of-arms from the railings of the Liteinyi bridge. Even glass caps from high lamp posts disappear from Troitsky bridge. Five lamps have disappeared from the Lieutenant Schmidt bridge. The problem is that police cannot guard all the bridges and the city is not in a position to "pay" for the vandalism by restoring the stolen pieces.

About 1.5 million roubles on average are spent for the maintenance of one bridge, the ST. PETERSBURG GAZETTE reports.

Kozyrev Leads Delegation to ASEAN Talks in Singapore

Russia, China Attend 'as Guests'

LD2307132193 Moscow ITAR-TASS in English 1201 GMT 23 Jul 93

[By ITAR-TASS correspondent Andrey Varlamov]

[Text] Tokyo July 23 TASS—"We welcome Russia's participation in discussing the issues of security in the Asia-Pacific region," said Japanese Foreign Ministry Press Secretary Masamichi Hanabusa on Friday at a regular briefing, replying to the ITAR-TASS agency's question on Tokyo's general position concerning Russia's participation in extended conferences of the foreign ministers of the Association of Southeast Asian Nations (ASEAN).

Another such forum to be held in Singapore on July 26 will discuss, as a main issue, regional security. It will follow the three-day annual meeting of the ASEAN foreign ministers which opened on Friday.

The meeting is attended by the foreign ministers from ASEAN member countries—Indonesia, Malaysia, Thailand, the Philippines, Singapore and Brunei.

The extended conferences are traditionally attended by the so-called partners in the dialogue—the United States, Canada, Australia, New Zealand, South Korea, Japan and the European Community.

The present meeting is attended by Russia and China as guests as well as by Laos, Vietnam and Papua-New Guinea as observers.

Meets Singapore President

LD2307171793 Moscow ITAR-TASS World Service in Russian 1342 GMT 23 Jul 93

[By ITAR-TASS correspondents Aleksandr Bokhonko and Georgiy Shmelev]

[Text] Singapore, 23 Jul (ITAR-TASS)—During a conversation today between Russian Foreign Minister Andrey Kozyrev and President of Singapore Wee Kim Wee, the prospects and opportunities for developing cooperation between Singapore and the Russian Federation were discussed. Wee Kim Wee noted Singapore's interest in developing links with the new Russia. Singapore's experience in development and economic success, he noted, shows that a state's economic progress is the main condition for its political stability.

Touching on the areas of potential bilateral cooperation, the president showed interest in the deal being prepared for the sale of military technology by Russia to Malaysia. He said that the sale of a consignment of "MiG-29s" does not worry Singapore. On the contrary, Singapore believes that during this deal and similar Russian ones, it will be able to derive certain benefits for itself, in particular, as far as the possibility of acquiring aviation from Russia is concerned.

For his part, Andrey Kozyrev noted that Russia is ready to give Singapore Russia's form of most favored nation treatment in order to extend trade and economic links between the two countries.

Views 'Important Interests' in Region

LD2307201293 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 23 Jul 93

[Report from Singapore by Vladimir Luskanov; from the "Novosti newscast]

[Text] The annual conference of ASEAN foreign ministers opened today in Singapore. ASEAN was created a quarter of a century ago and it united the states of Singapore, Thailand, Malaysia, the Philippines, Indonesia, and Brunei. They have created a powerful economic and political potential through joint efforts. The ASEAN countries have traditionally had very close relations with Japan, the United States, and Western Europe.

Until recently, Russia was on the sidelines. Today it has to strive for the right to be a full participant in the political dialogue in Asia. It was with this very aim that Russian Foreign Minister Kozyrev came to Singapore.

[Begin Kozyrev recording] Russia is a Eurasian giant and has very important interests in this region in terms of security and economic integration. [end recording]

[Luskanov] Whatever the case may be, Russia has already managed to make itself known to and respected by the countries of the Pacific six. The day before the Singapore meeting, Andrey Kozyrev visited Malaysia. As we know, Malaysia decided, unusually for ASEAN countries, to buy weapons in Russia. The deal involved 18 MiG-29 fighters. During a conversation with Malaysia's defense minister, the head of the Russian Foreign Ministry confirmed Moscow's intention to conclude the agreement on MiG's as soon as possible. The Philippines and Singapore seem prepared to follow Malaysia's example and have shown unprecedented interest in our military technology.

However, as Andrey Kozyrev stressed, the supplying of weapons, whoever is involved in it—be it the United States, China, or Russia—must not disturb the balance of forces which has been established in the region. It is for this very reason that Russia intends to discuss with the ASEAN countries a whole package of specific proposals, including the idea of setting up a forum to discuss problems of security and stability in Asia, similar to the Conference for Security and Cooperation in Europe.

Proposes Russia-ASEAN Committee

LD2407070793 Moscow ITAR-TASS World Service in Russian 0600 GMT 24 Jul 93

[By ITAR-TASS correspondent Aleksandr Bokhonko and Georgiy Shmelev]

[Text] Singapore, 24 Jul (TASS)—The future of the Asian-Pacific Region [APR] is in setting up a "regional security community" of a kind, capable of effective peacemaking under the UN Charter, Russian Federation Foreign Minister Andrey Kozyrev believes. The head of the foreign policy department addressed today a consultative meeting of the ASEAN countries foreign ministers, which took place in the framework of the session of the regional group which unites Brunei, Indonesia, Malaysia, Singapore, Thailand and Philippines. The Russian Federation delegation led by A. Kozyrev is attending the session as a guest of the ASEAN.

The Russian minister underlined that new opportunities in the region and in the world needed to be used actively to strengthen security. He proposed his concept of creating a center in the APR for preventing conflicts which would be intended to determine a staged formation of a mechanism of an intergovernmental dialogue to prevent crisis situations. This envisages assistance in exchange of military information and consultations in the event of unusual military activity.

A. Kozyrev proposed to set up a center for regional strategic research and work out conditions for arms trade in the Asian Pacific Region. He noted that Russia is prepared to supply its ASEAN partners with modern defense equipment as long as a sensible balance is maintained between requirement for regional stability, legitimate interests of the region's states in the sphere of defense and the interests of the arms dealers which, in his words, "could be registered in an arms trade code for the Asian Pacific Region."

The minister has also proposed to set up a Russian-ASEAN committee for coordinating relations similar to already existing bodies which regulate the relations between the ASEAN countries and their partners. He invited the ASEAN secretary general to visit the Russian Federation to discuss the practical aspects of this proposal. "Stability in the region and development of multilateral cooperation with ASEAN countries and the Asian Pacific Region as a whole are of vital importance to us," stressed Kozyrev. He indicated the "most attractive," in his words, spheres for the Russian ASEAN cooperation - setting up joint ventures for processing raw materials, shipbuilding, ports management, fishing, conversion of the Russian Federation's defense industries, intercontinental hauling, and tourism. A. Kozyrev has spoken in favor of "direct cooperation between the regions" and proposed a move towards the "Asia of regions" [Aziya Regionov].

Comments on Links With ASEAN

LD2407203493 Moscow ITAR-TASS World Service in Russian 1135 GMT 24 Jul 93

[By ITAR-TASS correspondents Aleksandr Bokhonko and Georgiy Shmelev]

[Text] Singapore, 24 Jui— The Russian delegation's presence at the latest meeting of ASEAN foreign ministers is the most direct way possible of fact-finding in the region, where integration is proceeding successfully against the background of an economic boom. It is vital for Russia not to be left on the sidelines in such circumstances, Russian Federation Foreign Minister Andrey Kozyrev, who is also at the ASEAN gathering, stressed to ITAR-TASS. This influential regional grouping encompasses countries such as Brunei, Indonesia, Malaysia, Singapore, Thailand and the Philippines. Contacts like these, according to Kozyrev, give an opportunity to talk to partners in Asia and forge links with countries in the Asia-Pacific Region.

Thanks to its unique location, Singapore could become an important link in the chain. "There are no political obstacles left to development of relations with this state. It all depends on us now. Our partners in the Asia-Pacific region are convinced of our interest in expanding commercial and political relations," the minister said.

Andrey Kozyrev pointed out Russia's willingness to work with the ASEAN countries to create a security system for Asia. He said: "In the past this kind of system would have been directed against the Soviet Union, but now we're working with each other and trying to arrive at fitting responses to challenges as they arise—territorial disputes, ethnic problems. In this respect, Russia's presence in Asia is welcomed as a factor in establishing a balance of power on a friendly basis. It gives us an opportunity to break into the Asian arms market. Moscow's current policy is causing increased interest in Russian military hardware from countries in this region. In Kuala Lumpur, the Malaysian capital, I recently discussed a contract to sell Russian-made MiG-29's to Malaysia. The main task now for Russia is to honor it."

Meets Counterparts

LD2407200393 Moscow ITAR-TASS World Service in Russian 1144 GMT 24 Jul 93

[By ITAR-TASS correspondents Aleksandr Bokhonko and Georgiy Shmelev]

[Text] Singapore, 24 Jul—Russian Foreign Minister Andrey Kozyrev, who is visiting Singapore, today had meetings with his counterparts from China, South Korea, and Vietnam, who are attending the 26th session of Association of Southeast Asian Nations [ASEAN] foreign ministers.

Kozyrev and China's Qian Qichen stressed during their conversation that bilateral ties and cooperation have recently been developing with exceptional vigor. They noted that all problems between their two countries are

being tackled in a concerted and businesslike way, in particular the commercial and economic aspects of relations. It was agreed that the foreign ministers will exchange visits before the end of the year.

The expansion and diversification of bilateral relations were the central topic of Kozyrev's conversatin with ROK Foreign Minister Han Sung-chu. They exchanged views on the situation in the Korean Peninsula and on the DPRK's attitude toward nuclear weapons.

Vietnam's Foreign minister Nguyen Manh Cam told Kozyrev about the processes of national revival that are taking place in his country. The sides noted their willingness to continue to develop ties between the two states.

Views Cooperation With Singapore

LD2407202493 Moscow ITAR-TASS World Service in Russian 1150 GMT 24 jul 93

[By Aleksandr Bokhonko and Georgiy Shmelev, ITAR-TASS]

[Text] Singapore, 24 Jul—Singapore's Prime Minister Goh Chok Tong today received his Russian counterpart, Andrey Kozyrev, who is attending the 26th ASEAN foreign ministers' meeting here.

In the course of their conversation they exchanged views on the development of bilateral ties and cooperation. In particular, they discussed matters concerning commercial utilization of the conversion of Russia's military-industrial complex and the setting up of a Russian technological center in Singapore. Goh Chok Tong said his country, as the region's busines and financial center, wishes to help the Russian Federaiton to establish business links with the states of the Asian and Pacific region.

Comments on Reduction of Troops

LD2407142693 Moscow Mayak Radio Network in Russian 1300 GMT 24 Jul 93

[Text] Russian Foreign Minister Andrey Kozyrev has proposed a broad program of cooperation between Russia and the countries of the Asia-Pacific region. Speaking in Singapore at a session of ASEAN foreign ministers, he stated that Russia's military presence in the Asia-Pacific region will now be directed at maintaining the region's stability. Kozyrev promised that Russia's military grouping in the Far East will have almost been halved by 1995.

Meets Singapore Foreign Minister

LD2507121693 Moscow ITAR-TASS in English 1528 GMT 25 Jul 93

[By ITAR-TASS correspondent Aleksandr Bokhonko]

[Text] Singapore July 25 TASS—Singapore regards Russia as "a very important power in the Asia-Pacific region possessing huge possibilities and potential," said Singapore Foreign Minister Wong Kan Seng at a meeting with Russian Foreign Minister Andrey Kozyrev here on Sunday.

The ministers exchanged opinions on the results of the 26th meeting of the foreign ministers of the Association of Southeast Asian Nations (ASEAN) which ended here on Saturday, as well as on prospects of this regional group uniting Brunei, Indonesia, Malaysia, Singapore, Thailand and the Philippines.

Wong welcomed a concept of setting up a regional centre for strategic research and prevention of conflicts, which was put forth by Kozyrev at the ASEAN meeting.

When discussing bilateral relations, the Singapore minister specially pointed to the importance of a proposal voiced by the Russian side to establish a regional centre for marketing and servicing Russian goods and technologies in Singapore.

In turn, kozyrev informed his Singapore counterpart of possible spheres of cooperation between Russia and Singapore, pointing to the absence of any obstacles to the development of mutually advantageous relations. He invited Wong to visit Russia this year.

Meets Warren Christopher

LD2507183793 Moscow ITAR-TASS in English 1816 GMT 25 Jul 93

[By ITAR-TASS correspondents Aleksandr Bokhonko and Georgiy Shmelyov]

[Text] Singapore July 25 TASS—Russian Foreign Minister Andrey Kozyrev met on Sunday in Singapore with U.S. Secretary of State Warren Christopher. Heads of foreign policy agencies of the two countries participated in conferences of ASEAN foreign ministers. During the conversation, Christopher welcomed the fact that Russia joined actively in a dialogue with ASEAN countries (Brunei, Indonesia, Malaysia, Singapore, Thailand and the Philippines) and intends to play a considerable role in affairs of the region.

Regarding relations between Russia and the United States, Kozyrev expressed satisfaction over the fact that the U.S. Congress began gradually lifting legislative curbs on trade and other relations with Russia. At the same time, Kozyrev noted that discriminatory amendments and restrictions in the framework of COCOM are still applied by the United States to Russia.

The U.S. side touched upon the question of Russian troop withdrawal from the Baltic. Christopher said the U.S. Congress made appropriations of funds for aid to Russia dependent on its troop withdrawal on schedule. Noting that the schedule of troop withdrawal is being complied with, Kozyrev, in his turn, expressed concern over arising circumstances, specifically infringement of the rights of the

Russian-speaking population and absolutely unjustified claims to Russia for "reparation of damages resulting from the Russian Army's stay".

Kozyrev and Christopher exchanged opinions on the developments in Georgia and Tajikistan.

Leaves Singapore

LD2507161593 Moscow ITAR-TASS in English 1604 GMT 25 Jul 93

[By ITAR-TASS correspondents Aleksandr Bokhonko and Georgiy Shmelyov]

[Text] Singapore July 25 TASS—Russian Foreign Minister Andrey Kozyrev left Singapore for home today. He participated as guest in the work of the 26th meeting of foreign ministers of the Association of South-East Asian Nations (ASEAN) that ended here. ASEAN members (Brunei, Indonesia, Malaysia, Singapore, Thailand and the Philippines) discussed matters of consolidating regional security and stability and economic interaction with countries of the Asia-Pacific region and industrialised Western countries.

Statement on Bosnia Viewed

LD2507184593 Belgrade TANJUG in English 1826 GMT 25 Jul 93

[Text] Belgrade, July 25 (TANJUG)—Russian Foreign Minister Andrey Kozyrev said on Sunday [25 Jul] that no other but moderate Islamic countries would be allowed to dispatch troops to the U.N. peace-keeping force in the ethnic war-ravaged Bosnia-Herzegovina (BIH).

Kozyrev's statement, presented to a meeting of Asian foreign ministers in Singapore, was an answer to last week's offer by the Islamic Conference Organization (ICO) to send out a 20,000-strong contingent to the ex-Yugoslav republic of the BIH where local Serbs, Croats and Moslems have been warring for 16 months now.

Kozyrev was reported by REUTERS to have said he did believe that it was very important to avert whatever might even resemble a Moslem or any other crusade.

Serbs are Orthodox Christians and Croats are Catholics, while the Moslems, who are either Serbs or Croats by ethnic origin (changed to Islam during the five-century-old Ottoman imperial occupation) obtained in the former communist Yugoslav Federation the status of a separate Moslem nation.

Kozyrev, however, added that there was room to engage every Moslem country which respects the concept of the maintenance of peace rather than jihad.

Kozyrev said it would be up to the U.N. Security Council to specify which of the Islamic countries were moderate to be able to contribute peace-keepers.

REUTERS' reporter said that the U.S. was also against the engagement in the BIH of any troops from the markedly fundamentalist Moslem countries, such as Iran, for fear that this engagement could turn the war in the BIH into a religious war.

A few days ago, Kozyrev said his country was ready to transport Moslem troops by air from their countries to Bosnia.

Chelyabinsk-65 Accident Said at Site Under U.S. Contract

MK2307092093 Moscow NEZAVISIMAYA GAZETA in Russian 23 Jul 93 p 1

[Andrey Vaganov report under the "Safety" rubric: "Details on Accident in Chelyabinsk-65. Plutonium From the Russian Enterprise Plutonium Was Intended for U.S. Space Program"]

[Excerpts] As NEZAVISIMAYA GAZETA has already reported, there is indirect information that at factory No. 45 of the "Mayak" Production Association, where an explosion that vented radioactive materials into the environment occurred on Saturday, 17 July, work was in progress under a contract with the United States to produce plutonium-238 for the American space industry. Yesterday, Nikolay Yegorov, Russian deputy nuclear power generation minister, confirmed that the accident occurred at factory No. 45, which is producing plutonium-238 for the United States, primarily for the realization of NASA space programs as well as for some other purposes (to build military eavesdropping devices, for instance). [passage omitted]

Undoubtedly, Russian officials and competent organizations could not have been aware that the U.S. Department of Energy has its own "NV-Line" plant near Savannah River, South Carolina, where the plutonium was supposed to be produced. Neither could they have not been aware that this production facility had run into a number of serious problems entailing environmental pollution and a threat to the personnel's health. Thinking perhaps that such problems did not and would not occur in Russia, the Russian side, without any qualms, offered its services in the production of plutonium-238 for the needs of the U.S. space and defense industry. A touching concern. Now we have something to be proud of: Whereas in the years of "developed socialism" exotic banana republics became exhausted by Russian humanitarian and other types of aid, now we are big enough to assist the industry of the United States, no less, to cope with sudden snags. [passage omitted]

For fairness' sake, it should be noted that the United States appropriated $800 million to ensure safety in handling plutonium and the other fissionable materials of warheads, and to build a storage facility on the territory of the ex-USSR. An instance of touching concern again. [passage omitted]

U.S. Diplomat on Contacts With Opposition

PM2607083593 Moscow PRAVDA in Russian 23 Jul 93 p 3

[Viktor Linnik report on interview with unidentified "responsible official of the U.S. State Department" in Moscow; date not given: "United States Does Not Rule Out Opposition's Arrival in Power in Russia. Interview With Responsible Official of U.S. State Department"]

[Text] In accordance with the rules on "background information," it is only possible in this piece to refer to a "high-ranking U.S. diplomat". The meeting with him took place in a cozy room of an equally cozy detached house in a street off the Arbat, where the "Russian-American Information Center" has been registered for a year now. It so happens that the American diplomat has settled himself in the very place where about 13 years ago stood the desk at which the author of these lines worked. Our last meeting took place about two years ago, thousands of miles from Moscow. But this is to do with the oddities of life's coincidences....

There was no need to doubt that the American diplomat was of "high rank" because on this occasion our democratic press, which usually does not know where to stop, behaved itself in a restrained manner. In his opening statement the American foreign policy department staffer praised the changes in Russia (which hitherto he has visited on two occasions, way back in 1973 and 1980), and spoke of the Russian Federation's entering the "community of civilized states" and the "giant steps toward democracy and progress" our country has been taking recently. The diplomat described the president's draft Russian Constitution as a feature of "these steps." It is not entirely clear in what way Yeltsin's attempts to adopt an authoritarian Constitution—in an unconstitutional manner, what is more—can be interpreted as "steps down the road" to democracy. An explanation can, it would seem, be found in the brevity of the American's stay in Russia.

We then passed on to a question-and-answer session.

"Does the U.S. Administration have contacts with the opposition in Russia? Why was there no American ambassador in Moscow for more than six months?" your correspondent asked.

"You are right, from the time the previous ambassador, R. Strauss, departed to the time the new ambassador, T. Pickering, arrived about six months elapsed," the diplomat replied. "This was not the result of any political considerations, but is explained by the peculiarities of American democracy, as the procedure for confirming the new ambassador had gotten delayed in the U.S. Senate. Our policy has always been to maintain contacts with the opposition in any country. Nor are we being unfaithful to it in Russia today."

At these words, the representatives of the democratic press became noticeably nervous.

"What actions might the United States take if the communists or the national-patriots came to power in Russia?" MOSKOVSKIY KOMSOMOLETS Chief Editor P. Gusev asked.

"I regard the chance of this happening as very remote," the American diplomat reassured those present. "But you cannot rule anything out in a democratic state. What is more, as far as I understand, there is no one among the opposition in Russia today who wishes for a return to the old ways. So that much in the U.S. reaction to a change of power in Russia will depend on the actual aims of the new government. If, for example, it is against the economic reform, I will be against it."

Then the following question was put: "Does this mean that you support any Russian Government which comes to power by democratic means, and, on the contrary, do not support any which remains in power or secures power by undemocratic means?"

"No, this is not so. In life there are no absolutely black-and-white situations. Much will depend on the attitude of a new Russian Government toward the United States. But I repeat that these are in my view hypothetical questions."

Space Agency Chief on Rockets Contract With India

LD2407180393 Moscow ITAR-TASS World Service in Russian 0610 GMT 24 Jul 93

[By ITAR-TASS correspondent Anna Bakina]

[Text] Moscow, 24 Jul—"Observing the international regulations on supervision over nonproliferation of rocket technologies and being guided by the principles of national security, Russia will not be able to carry out in full the contract concluded earlier between the Main Space Directorate and the Indian national Space Research Organization, Yuriy Koptev, director general of the Russian Space Agency stated in an ITAR-TASS interview.

"The agreement to supply India with rocket technologies was concluded in a different economic and political situation", Yuriy Koptev said. "Life changes, and one cannot be orthodox and retain a stand that is out of tune with the present." The head of the Russian space agency believes that economic reasons for altering the agreement lie in Russia's current economic predicament. "The Indian space program costs only $200 million, whereas a single launch of a commercial satellite costs between $600 million and $700 million."

The political aspect of the issue is this, Yuriy Koptev noted: "First of all, rocket technologies can be used both for peaceful and for military purposes. Therefore the obligations placed (upon Russia) by the international regulations on the supervision over nonproliferation of rocket technologies do not allow us to carry out in full all the provisions of the Russian-Indian agreement. But it will be carried out with regard to sales of finished rocket samples."

In addition, in view of the director general of the Russian space agency, "It is in Russia's own interests not to proliferate rocket technologies throughout the world, and in particular among its closest neighbors. It is not a question of mistrust concerning a specific partner, but of general principles of national security."

PRC Press Cites Indian Sources on Deal

PM2307122993 Moscow PRAVDA in Russian 23 Jul 93 p 3

[Andrey Krushinskiy report: "Loss of Face"]

[Text] Beijing, 22 Jul—Since the PRC is not indifferent to Russia's reputation as an economic partner, the Chinese mass media have taken very badly the Russian Federation Government's refusal, under pressure from the United States, to meet its commitment to supply India with rocket technology. In this connection the Indian press is being abundantly quoted here. The Beijing newspaper CHINA DAILY claims that R. Narasimha, prominent Indian scientist and director of the National Aerospace Laboratory, has stated that India will require not more than two years to develop its own technology for producing cryogenic rocket engines. Whereas the government press is emphasizing the need to develop space technologies using India's own resources, CHINA DAILY notes that the Delhi opposition is urging that India should produce its own nuclear weapons in response to the U.S.-Russian obstruction.

Foreign Ministry Statement on Ukrainian Nuclear Status

LD2407112793 Moscow ITAR-TASS in English 1122 GMT 24 Jul 93

[Text] Moscow July 24 TASS—The Russian Foreign Ministry has circulated the following statement:

"Disquieting reports continue reaching here from Kiev. After the Ukrainian Parliament virtually proclaimed Ukraine to be the holder of nuclear weapons, measures are being taken to bring the weapons under national physical control...

"As far as Russia is concerned, the Ministry of Foreign Affairs is stating on behalf of the Russian Federation's leadership that Russia does not threaten anyone and that our country issues only one call to Ukraine—to live in friendship and goodneighbourly relations. We reaffirm all obligations existing between our two countries.

"Is not it clear that to make Ukraine a nuclear power is tantamount to giving the green light to the emergence of other nuclear states, thereby putting an end to the nuclear non- proliferation regime and saying 'no' to nuclear disarmament?.... What will be the price, for both Ukraine and the world, of someone's ambition to exalt oneself resultant of possession nuclear munitions?.

"It is up to Ukraine to take a final decision," the statement emphasises. "but we want everyone to know the following:

- Russia is prepared to give Ukraine guarantees for its security,

- Russia will ensure ecological security connected with the temporary keeping of nuclear weapons on Ukraine's territory,

- Russia will help Ukraine eliminate nuclear weapons as Ukrainian leaders themselves pledged in Lisbon to do and receive all peace dividends from that. With this end in view, we are ready immediately to finalise all the necessary talks," the statement said.

Adamishin Calls On Ukraine To Ratify START I

LD2307180293 Moscow ITAR-TASS in English 1726 GMT 23 Jul 93

[By ITAR-TASS diplomatic correspondent Aleksandr Krylovich]

[Text] Moscow July 23 TASS—Let us hope that Ukraine will follow the example of Belarus and fulfil international obligations it assumed, by ratifying the START-1 treaty and the Lisbon Protocol, and joining the Nuclear Non-Proliferation Treaty, Anatoliy Adamishin, first deputy foreign minister of Russia said on Friday in reply to journalists' questions.

The Russian diplomat spoke after a ceremony of handing over a document on the accedence of the Republic of Belarus to the Nuclear Non-Proliferation Treaty to the Russian Government for keeping. Now the most important thing is to see what real steps Ukraine will take in this direction, the first deputy foreign minister stressed.

"We are trying to work patiently and consistently with our Ukrainian colleagues," Anatoliy Adamishin noted. He believes that Russia clearly stated that it is prepared to give Ukraine the necessary guarantees of its security, guarantee ecological security of those weapons which are located on its territory, and ready to render assistance in dismantling and transporting these weapons from its territory.

According to the Russian diplomat, Ukraine's actions in this direction contain "both alarming and positive symptoms". He referred to the resolution adopted by the Supreme Soviet of Ukraine saying that Ukraine announces itself the owner of those nuclear weapons which are now located on its territory. "This cannot be accepted with satisfaction by Russia," Anatoliy Adamishin emphasised.

Touching on the position of Kazakhstan on this issue, the first deputy foreign minister of Russia expressed hope that Kazakhstan, in the same way as Belarus, will make a final step and join the Nuclear Non-Proliferation Treaty. Thus "Kazakhstan will bring its position to a logical end", the Russian diplomat pointed out.

Yeltsin, Kravchuk Congratulate Black Sea Sailors

LD2407152793 Moscow ITAR-TASS World Service in Russian 1426 GMT 24 Jul 93

[Text] Moscow, 24 Jul—Russian Federation President Boris Yeltsin and President of Ukraine Leonid Kravchuk today sent a joint message of congratulations to the Black Sea sailors in connection with the traditional Sailor's Day.

"The Black Sea Fleet has always worthily defended our southern borders and has contributed many bright pages to the annals of history," it says in the message of congratulation signed by them, the text of which was distributed by the press service of the president of the Russian Federation. "We note with pride that you remain true to the glorious traditions of your fathers, grandfathers, and great-grandfathers, that you are worthily discharging your military and civic duty and are maintaining the Fleet's combat readiness at the proper level.

Taking into account the present-day situation we have agreed to instruct our governments to urgently prepare additional proposals providing for constructive methods of approach to resolving the problems of the Black Sea Fleet and Sevastopol.

We express confidence that the Black Sea sailors will continue displaying endurance, a high level of responsibility, and loyalty to their military duty during this difficult period of transition," the document stresses.

Southern Cities' Association Sponsors Black Sea Fleet

PM2307140593 Moscow KRASNAYA ZVEZDA in Russian 23 Jul 93 p 2

[Nikolay Astashkin report under the "From Our Newsdesk" rubric: "Black Sea Fleet Gets New Sponsors"]

[Text] The Association of Cities of Southern Russia has decided to sponsor the Black Sea Fleet. Every city has adopted its own ship.

Krasnodar, for instance, got the patrol combatant Pytlivyy. Local conscripts will now serve on it and the city will supply the crew with produce.

Border Guard Leadership Will 'Evidently Be Dismissed'

PM2307133993 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Jul 93 p 1

[Report by Valentin Karkavtsev: "Waiting for the Order: To Arms! The Danger of Being Dragged Into a Major War in Tajikistan Is Entirely Real"]

[Text] The now-legendary 12th Border Guard Troops Detail stationed on the Tajik-Afghan border is periodically shelled these warm nights. I look through the morning bulletins anxiously: How are Lieutenant Zhenya Bunkov and his guys, who only a few days ago were our escorts in the subunit?

They ask for only one thing: fresh newspapers. They do not know what the "power" ministers are discussing in Dushanbe. They know only one thing: The 12th detail is a small piece of Russian land.

But Russia, it seems, has nevertheless contrived to take the warpath. And Russian generals and marshals have made a beeline for the East, for Dushanbe. Having instituted an investigation into the events which took place in the 12th detail, Defense Minister Pavel Grachev gave everyone present a dressing down and informed them that he will not tolerate the inactivity of the local leaders, who as of today are only noting the situation.

Sources close to P. Grachev have made it known that Major General Chechulin, commander of the Russian Federation Border Guard Troops in Tajikistan, will evidently be dismissed in the near future. It would appear that dismissals will follow in the Russian Federation Border Guard Troops leadership also. At the same time the Russian defense minister invited "Messrs. Urazhtsev, Sterligov, Ochalov, writer Prokhanov and his entire editorial team on the newspaper DEN, and the highly patriotic fellows from PRAVDA" to come and serve in the 201st Motorized Infantry Division. "I guarantee weapons and pay. If they respond, perhaps the people will recognize them."

While the "democrats" and "conservatives" score points with the Tajik card, things on the border are taking a serious turn. Judging by the measures which Russian generals elaborated in Dushanbe, a large-scale counteroffensive is being planned. In particular, Pavel Grachev spoke in Dushanbe about preventive strikes against Afghan territory. How serious Russia's intentions are in Tajikistan can be understood if only from the measures which have been elaborated by way of retaliation. Russia is restoring here the border air defense system broken up a year ago, and is building up manning levels in the 201st Division to "wartime" levels—12,000 men.

Ultimately we will hold the Islamists back, Grachev stated. But how you will behave yourselves with them is the riddle. It seems that Russia's policy regarding Afghanistan is no less of a riddle today. The president decorates the fallen border guards. The "power" ministries frighten the Tajiks with the specter of a second Afghan war. As for diplomacy, it would appear that at the moment it is just picking up "enemy" voices. Another week or two of this "policy," and we will be bogged down in Afghan War Mark II.

Tajikistan's Foreign Policy Importance Viewed

MK2407093093 Moscow KOMMERSANT-DAILY in Russian 24 Jul 93 p 5

[Dmitriy Kamyshev report: "Russia Is Interested in Stability in Tajikistan]

[Text] Developments over the past two weeks along the Tajik-Afghan border, tragic as they were, had perhaps one positive payoff: At the very top in Russia they have started

to speak about the need to formulate a clear state policy vis-a-vis Tajikistan and all of Central Asia. In view of the sharp deterioration of the situation and the need for immediate political decisions, the issue of Russia's foreign policy priorities has acquired paramount importance.

The flops in Russia's eastern policy can be seen with the naked eye. Even the Central Asian republics' membership in the Commonwealth can hardly veil the marked cooling of Russia's relationship with practically all of them. For Russia, meanwhile, from the point of view of geopolitical interests, retaining Tajikistan in its sphere of influence is extremely important. For the first time after Russia's exit from Afghanistan, there has appeared in the very heart of the Muslim world a state vitally interested in maintaining the most close and varied links with Russia. More than that, it is a country that gives priority to these links over its traditional contacts with the Muslim East. If engaged in actively working together with Russia, Tajikistan could become an outpost of sorts to extend Russian influence to a number of countries of the Near and Middle East, which does not seem all that unrealistic now in the wake of the Gulf War. True, the probability of such a turn of events may wane if consolidation of Russia's position in Tajikistan is attended with a mounting standoff with Afghanistan. On the other hand, if a conflict-free approach is found, it would, owing to a strong interdependence of countries in the region, boost the chances of success for Russian foreign policy in Central Asia as a whole.

Apart from global interests, politicians now in power also have to reckon with immediate interests. For example, a factor of no small importance, which is currently a paramount political factor when any decision relating to Tajikistan is made, is the 300,000-strong Russian population that, should the country's internal conflict widen—as has happened not infrequently—would end up as the main hostage to the conflict. In the event of a mass exodus of Russians from Tajikistan, Russia would not only get in its lap a huge number of refugees with all the ensuing consequences, but the ranks of the "patriotic opposition" also would swell. Therefore, not only the Tajik but also the Russian authorities are objectively interested in internal stability in Tajikistan (as in the other region's countries).

To Beat or Not To Beat; That is the Question

The firmest backer of a continued Russian military presence in Tajikistan is the military itself. One has to recognize that Russia's military-strategic interests in this case call for Russian troops to remain—at least for some time—on the Tajik-Afghan border and in Tajikistan itself. The southern belt of instability running across countries of the Near and Middle East is threatening to shift close to the Russian borders. A buffer in the shape of Tajikistan could be very useful there, and play the same role as did in Soviet times the countries of East Europe that separated the territory of the Union from the "potential adversary." Tajikistan is also essential for the restoration of the effective antiaircraft defense system undercut by the USSR's collapse and which now has rather wide gaps in the southern sector, something that also constitutes a headache for Russian generals if you consider the presence of disturbing neighbors. Besides, in the absence of an equipped border in Russia's south, even the "unreliable" Tajik-Afghan border is a valve that prevents to a considerable extent a large-scale penetration into Russia's south by armed terrorist groups, drug traffickers, and other international criminal elements.

However, battle-ready units (precisely such units are needed now on the border), armed with armored vehicles, artillery, and aircraft, would hardly limit themselves to patrolling the border areas and boosting border guard morale. The rather bellicose statements from Russian Defense Minister Pavel Grachev, who promised to "cruelly punish" those who had lifted their hand against Russians, also give grounds to believe that the 201st Motorized Rifle Division of the Russian Army would not be out of business. But the Tajik opposition militants are based on the territory of Afghanistan, and Pavel Grachev—an Afghan war veteran—knows more than other people that heavy tanks and Grad rocket launchers have no chance against the guerrilla tactics that the Tajik opposition successfully learned from their "Afghan brethren." Thus the only method of effective struggle against guerrillas in the mountains is to destroy their bases.

If the repeated statements from the Afghanistan Government are to be believed, this is precisely what Russian armed forces deployed on the territory of Tajikistan have been trying to accomplish during almost 10 days after the 13 July events as they bombarded the Afghan border province of Tahar. The Russian Defense Ministry regularly denied this information until recently, but the latest reports from Afghanistan contain phrases about "shellings of Russian border outposts from the territory of Afghanistan" and "neutralization of weapon emplacements by the border guards' return fire." Using the laws of logic, it is easy to conclude that bombardments of the territory of the contiguous state are taking place after all, even if they are apparently local actions of retaliatory nature rather than wide-scale actions. Nonetheless, the very fact of bombardment and the silence about them by the Foreign Ministry and Russia's political leadership puts many experts on guard and makes them caution for the umpteenth time against Russia's imperceptible sinking into a new large-scale conflict with Afghanistan. In a complex situation like this, therefore, it is undoubtedly necessary to rule out all "unauthorized" actions by the military, which are fraught with dire consequences, and to leave exclusively to the political leadership the right to make final decisions.

Butrus-Ghali Will Show Up Some Day and Settle our Dispute....

And nevertheless, you cannot speak of Russian society's unanimity on a continued military presence in Tajikistan. The danger of another Afghan war, many observers caution, is not as illusory as to dismiss it by saying that the past will never repeat itself. Those advocating troop withdrawal, however, prefer not to speak of what would be in the wake of this step. At best, they advocate the withdrawal

of the entire Russian population, together with troops, and afterward to press for the participation of UN peacemaking forces in a Tajikistan settlement. The United Nations in fact has not succeeded over the past few years in carrying through a single effective operation to establish peace in zones of armed conflict. Armed standoffs have stopped neither in Cambodia nor Angola, while UN peacemakers have simply become inveigled into the war in Somalia. The only "efficacious" operation under the UN flag was Desert Storm, but there, as is known, the guidance came from the United States and its allies rather than from the United Nations proper. Therefore, a settlement to the conflict in Tajikistan is no more realistic with the aid of the United Nations than with the aid of the Russian military. At the same time, no settlement is possible without a clear plan of action—it is just such a plan that the Russian leadership seems to be lacking apart from measures of a purely military nature. But this, as international practice in recent years shows, proves insufficient as a rule. [Article contains following boxed texts]

Number of Russians in Central Asian Republics of ex-USSR (according to 1989 census)

Kazakhstan: 6,228,000
Kyrgyzstan: 917,000
Tajikistan: 388,000
Turkmenistan: 334,000
Uzbekistan: 1,653,000

Relations with CIS States (in Line with Russia's Foreign Policy Concept)

—Of urgent nature is the task to protect the Commonwealth's outer borders. Without this it is impossible to insure the internal stability of CIS states, nor to strengthen the single military-strategic space.

—Neighbor states in the regions adjoining the CIS are trying to bank on the USSR's disintegration to build up their own positions. The realization of these plans could damage Russia's security, its economic interests; it harbors the danger of political and social conditions taking shape provoking a mass exodus of Russians from the former republic to the territory of Russia proper.

—Guided by international law and using the potential of partnership with the world's leading democratic countries, Russia will actively oppose all attempts to build up the military presence of third countries in the countries contiguous to Russia.

Extent of Russia's Central Asian Interests Viewed

PM2607085593 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 93 First Edition p 7

[Vladimir Kuznechevskiy commentary: "It Is Possible To Play on Anything, Including the Afghan Syndrome. About National Interests, Tengiz Oil, and the 12th Border Post"]

[Text] The tragic events at the Moskovskiy Border Detachment's 12th Border Post on the Tajik-Afghan border have once again focused attention on the question of the limits (read: regions) to which the national state interests of a country such as Russia can extend.

The Russian president, the Supreme Soviet, and the leadership of the Ministry of Defense are certain that they extend, in any case, to the territory of former Soviet Central Asia. But such prominent public figures as Gavriil Popov and Yelena Bonner together with the businessman Konstantin Borovoy believe differently, considering such a position incorrect. The first stated this at the top of his voice, while the second and third supported him with their silent presence at a collective news conference. They are all convinced that Russian servicemen must be recalled without delay from Tajikistan and from the "sunny" republics in general.

Following their logic, Moscow is evidently left with no choice but to accept the fact that Russia's national state interests in this region cannot extend beyond the borders of, let us say, Chelyabinsk Oblast.

The problem of just what is to be understood by the national state borders of major powers undoubtedly is not simple. As practice shows, every such country resolves it independently. The United States, for example, does not doubt for a moment that the Persian Gulf comes within America's security zone. For the first time since the war, by participating indirectly in the conflict in the Persian Gulf region in 1991, Germany and Japan got the bit between their teeth by all accounts and are now prepared to send their troops, as part of UN peacemaking forces, not only to the former Yugoslavia but also to Somalia (which the FRG, incidentally, has already done this week). And yet Africa would appear to be situated further from their borders than Tajikistan is from Russia's, would it not?

Knowledgeable people say that the concept of "national state interests," viewed without being specifically tied to the resolution of particular political and frequently also geopolitical tasks and conundrums, is ephemeral. Therefore the statement that Russia must leave (flee from?) Central Asia is either of a speculative nature or pursues a personal pragmatically political end. Indeed, when people pronounce these words ("national state interests"), they have in mind quite tangible things. Oil, for example.

And not only Persian Gulf oil.

In this case it is a question of the oil of the Tengiz field in Kazakhstan, whose smell, which promises not just billion-dollar profits, has been detected not only beyond the ocean and the English Channel but also in Turkey. Britain, it is said, is showing a heightened interest in the conflict between Azerbaijan and Armenia over Nagorno-Karabakh because there it is possible not only to count on a share of Baku oil but also to gain access via the Caspian to the Tengiz wells.

And yet a "corridor" to them can also be "punched" through Central Asian republics.

It seems that an attempt is being made to use the Afghan mojahedin, who have their own Islamic reasons for this, to make Moscow "forget" about Tajikistan and to confine its interests to a space bounded, let us suppose, by Chelyabinsk Oblast. They are being supported in this matter by certain circles in Russia itself.

Maybe this is why we are being reminded of the Afghan syndrome?

Airborne Brigade Denies Alleged Redeployment in Gudauta

LD2307173093 Moscow ITAR-TASS World Service in Russian 1031 GMT 23 Jul 93

[By ITAR-TASS correspondent Nikolay Styazhkin]

[Text] Stavropol, 23 Jul (ITAR-TASS)—The command of the 21st Separate Airborne Brigade stationed in Stavropol has denied a report by the media alleging plans to redeploy the brigade in Gudauta.

It was announced at a news conference today that such unproven reports "not only distort Russia's position with regard to ways of settling the Georgian-Abkhaz conflict on the basis of noninterference by Russian troops, but also leads to worry among the parents of the young airmobile assault troopers on a course of military training in the special brigade.

Shakhray on Settlement of Conflicts in Caucasus

LD2507221393 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 25 Jul 93

[Interview with Deputy Prime Minister Sergey Shakhray by unidentified correspondent; from the "Itogi" program—recorded]

[Excerpts] [Announcer Kiselev] Today we received an important report. It affects our assessment of the situation in the area of the Georgian-Abkhazian conflict which our program is constantly monitoring. [passage omitted: TASS quoted Shevardnadze on his decision to sign an agreement on a cease-fire in Abkhazia].

Prior to this important statement, the situation in the Abkhazian conflict zone and the Caucasus as a whole, was the subject of a detailed interview given to Itogi by Deputy Prime Minister Sergey Shakhray, one of the main architects of Russia's policy in this region.

[Correspondent] How can the situation in the northern Caucasus and on the Russian-Georgian border be stabalized?

[Shakhray] First and foremost, the Caucasus should be treated as one single region. All conflicts taking place in the Caucasus are interconnected in one way or another, and in order to settle them, Georgia, Russia, Azerbaijan, and Armenia have to develop a coordinated position.

The chairman of the Soviet of Nationalities and I proposed in January that a meeting be held. I think that such quadrilateral talks should be held in September. For example, in order to settle the Ossetian-Ingushetian conflict, one should first normalize the situation in the Chechen Republic. Peace and stability in South Ossetia are needed to resolve a conflict there, namely contacts with Georgia. In order to enjoy peace in the northern Caucasus, it is necessary to establish peace in Abkhazia.

Therefore, the government and the Soviet of Nationalities have proposed a general plan for settling conflicts. The essence of the plan is in the fact that Russia has an interest in preserving the integrity of Georgia, Azerbaijan, and Armenia, and in maintaining their political independence and sovereignty. For their part, these states should understand that their political independence, integrity, and development depend on the fact of whether they have normal relations with Russia. The disruption of the balance between various forces and interests leads to redistribution of power, property, and spheres of influence, and all this results in armed conflicts.

It was this methodical position, or concept, if you like, that the government and the Supreme Soviet submitted at a meeting that was recently held in Dagomys, and that evoked so many comments and arguments. The assertions that economic sanctions or the economic blockade of Abkhazia were proposed at the meeting are absolutely groundless, as well as the assertions that the republics of North Caucasus threatened to leave the Russian Federation. On the contrary, the Dagomys meeting was one of the few meetings at which the government and the North Caucasus region displayed complete proximity of views, and at which the position of the Russian leadership on the settlement of the Georgian-Abkhazian conflict received support. North Caucasus republican leaders voiced support of this position in their speeches and it was also supported at rallies, as we know, and by public forces.

[Correspondent] Sergey Mikhaylovich, do you think that it makes sense to introduce economic sanctions against participants of the conflict?

[Shakhray] My position on this issue is well-known. I believe that in order to protect its national interests, every state has the right to use—and it must use—various methods including methods of a civilized, if you like, economic pressure within the limits of international law. In order to ensure peace in the region, the state must develop a certain position and must be able to implement this position. If we all proceed from the fact that it is unacceptable to use Armed Forces since a military victory usually turns into a strategic defeat after several decades, then we should use some other means, including economic ones. As long as the war is economically beneficial to some criminal groups or forces, it will go on. It can only be stopped either by common sense, economic interests, or the state itself. Therefore, I repeat that Russian policy in this region should be clear, just and sufficiently firm.

[Correspondent] In your opinion, how can one put an end to a transfer of North Caucasus volunteers?

[Shakhray] In my view, the use of force in this case does not necessarily mean success. A package of measures should be proposed here. First and foremost, the plan for a gradual settlement of the conflict, proposed in Dagomys, should be adopted; a truce and a cease-fire should be introduced; peace-keeping forces should be brought in with the right to act adequately in certain situations; peace talks should be held; provisions should be made to ensure the status and autonomy of Abkhazia, South Ossetia, and Adzharia within Georgia; an agreement on interaction, economic cooperation, and integration between Russia and Georgia should be signed; and last but not least, border protection measures should be introduced, like border posts, outposts, and so on.

[Kiselev] We will probably see very soon whether the Dagomys plan for a peaceful settlement of the situation in the region is successful or not.

Foreign Ministry Concerned About Nagorno-Karabakh Events

LD2407140493 Moscow ITAR-TASS World Service in Russian 1335 GMT 24 Jul 93

[Text] Moscow, 24 Jul—"Ignoring the warnings from Russia and other members of the world community, Armenian armed formations have again started active offensive actions and, according to the information we have, have taken the Azerbaijani town of Agdam which is outside of Nagorno-Karabakh", a Russian Federation Foreign Ministry statement issued here today says. "Particularly worthy of attention," the document notes "is that the capture of the Azerbaijani town has been undertaken despite assurances given to the Russian side by official Armenian representatives to the effect that no land offensives by Armenian formations are being undertaken and that they do not intend to attack the town of Agdam."

All this is occurring at a moment when real movement has been discernible in the negotiating process. This is shown by the results of the recent trip to the conflict zone by M. Raffaelli, chairman of the CSCE's Minsk group, and by the present work of this group in Rome.

The Russian Federation Foreign Ministry is authorized to state that the Russian leadership expresses its deepest concern over such actions by the Armenian side. The Russian position remains the same—namely, an immediate cease-fire and implementation of UN Security Council Resolution 822 and the proposals of the CSCE's Minsk group as the foundations for putting a political settlement into operation in Nagorno-Karabakh.

Far East Regions Coping With New Border Crossings

PM2307123993 Moscow ROSSIYSKIYE VESTI in Russian 23 Jul 93 p 7

[Valeriy Golovin article: "Border Which Draws Closer"]

[Text] Khabarovsk—We are accustomed to seeing the state border as some sacred line unassailable by neighbors. Hence the well-established expression—"locked border." But, as life shows, every lock is good only when the key has not been lost.

Soon 50 new border crossing points are to become the key to the 4,000-km long Russian-Chinese border. Each border oblast is constructing them, proceeding from its own potential and means. But I. Tsvetkov, chairman of the Far Eastern Economic Cooperation Association Coordinating Council, believes that this infrastructure of border crossings does not accord with the long-term interests of Russia or the Far Eastern regions themselves.

The planning and construction of quite complex engineering and technical installations will require sizable investments. Where are these to be found, if the state treasury is being replenished far more slowly than it empties?

At a conference in Blagoveshchensk all interested sides decided not to put their trust in the government's assistance but to try to create state-private corporations which will take on not just the construction but also the future operation of the new border crossings. The "Zolotoye Zveno" Joint-Stock Company, for example, has already set about constructing a railroad bridge across the Amur River in Maritime Kray's Khasanskiy Rayon. Another company is constructing a bridge between the cities of Blagoveshchensk and Aihui.

And yet the people of the Far East clearly hav ısufficient resources. Once again the natural question arises: Why must they alone bear the whole burden of the expenditure, if the Russian gateways to China are used not only by local enterprises, but also by many firms in other parts of the country and republics of the former USSR? Why should they not fork out now and subsequently acquire certain priorities in sending their goods across the border?

Without waiting for this question to be "thrashed out" at the top, the Amur Oblast authorities have decided to introduce a 3-percent local tax on the transit of goods being exported and imported and to channel the resultant proceeds precisely into developing the infrastructure of the border crossings themselves. It has become known that similar steps are also supported by the leadership of Khabarovsk Kray.

Of course, it is no good if each border kray or oblast starts dictating its own tax terms, seeking to attract funds into its own treasury by any means. In Tsvetkov's opinion, Russia would only benefit if free trade zones were formed in the region of border crossings by decision of the federal government and if there were privileges and guarantees for investors putting funds into the foreign economic infrastructure. Air communications employing helicopters would also revive our bilateral trade and humanitarian ties. But these proposals have gotten held up somewhere in Moscow offices.

Foreign Ministry Unconcerned Over Parliament's Appeal on FRY

PM2307163093 Moscow IZVESTIYA in Russian 24 Jul 93 First Edition p 3

[Konstantin Eggert report: "Supreme Soviet Appeal Causes No Concern at Russian Foreign Ministry"]

[Text] "Everything will stay as it was—with no consequences"—that was the comment by a high-ranking Russian diplomat on the possible reaction in the world to the appeal adopted unanimously by the Russian Federation Supreme Soviet on 22 July. It contains an appeal to the international community and the world's parliaments to support the lifting of sanctions against the Federal Republic of Yugoslavia.

The document indicates that grounds for this decision would be provided by the "consensus which has developed in the international community on the question of each side's responsibility for the Yugoslav conflict, as well as the nonparticipation of Serbia and Montenegro in the military confrontation in Bosnia at present."

On Smolensk Square [Foreign Ministry], parliament's actions caused no concern. The appeal is couched in restrained tones and has some foundation—that is the opinion of a number of diplomats whom IZVESTIYA's correspondent spoke with. At the same time one expert noted: "Emotion prevails in the text. The deputies should have taken into account the whole spectrum of opinions on the Yugoslav problem that exists among our foreign partners."

Is it true that the new Yugoslavia is no longer trying to interfere in Bosnian events? Here is the opinion of a high-ranking Foreign Ministry staffer: "No way has Belgrade withdrawn from the game. It retains considerable influence on the Serbs in Bosnia and Croatia. Furthermore Milosevic has yet to agree to the stationing of UN observers along the border with Bosnia-Herzegovina, and this also prompts doubts as to the total sincerity of the Yugoslav leadership."

The diplomat believes that the Supreme Soviet adopted the document in haste only a few days after the appeal of the FRY Assembly to Russian parliamentarians, requesting that they seek the lifting of sanctions. "The Assembly's appeal followed close on our deputies' decision on Sevastopol. This is no coincidence, but an attempt to play on the deterioration in the domestic political situation in Russia," our interlocutor noted.

Foreign Ministry sources do not rule out the possibility of retaliatory moves by the president and government to distance themselves from the parliamentarians' position and demonstrate that foreign policy decisions are still the prerogative of the executive.

Churkin in Spain for Talks With Foreign Minister

LD2607083493 Madrid RNE-1 Radio Network in Spanish 0600 GMT 26 Jul 93

[Text] Russian Deputy Foreign Minister Vitaliy Churkin has been in Madrid since last night in order to hold a series of meetings in the next few hours—to be precise, from this afternoon on—with Spanish Foreign Minister Javier Solana. They will exchange views on the situation in the former Yugoslavia and analyze the state of bilateral relations between our country and Moscow.

On the subject of the coup rumors in Russia, Churkin said the return of President Yeltsin to the Russian capital implies the immediate stabilization of the situation.

Deputy Defense Minister Comments on Germany Visit

LD2307163493 Moscow ITAR-TASS World Service in Russian 0735 GMT 23 Jul 93

[By ITAR-TASS special correspondent Andrey Naryshkin]

[Text] Wuensdorf, 23 Jul—All joint activity between the Armed Forces of Russia and the Bundeswehr will from now on be regulated by the protocol signed during the official visit to Germany by the Russian delegation, Andrey Kokoshin, Russia's first deputy defense minister, told a conference of the command personnel of the Western Group of Forces in Wuensdorf on Thursday. He explained that this refers to official exchange and working visits and to the training of officers of both Armies at military schools.

Commenting on the work of the Russian military delegation that was in Bonn between 19-22 July, Andrey Kokoshin noted that it had studied the questions relating to the formation of the German Defense Ministry's budget, to the program for arming the Bundeswehr, and to the form of relations between the military department and the enterprises producing defense equipment. "I think we have been able to find out and see a lot. Our German colleagues, from the defense minister to the fighter plane pilot, were sufficiently open. I was impressed by the meticulous way in which the German military department plans its budget and by the detailed nature of contracts between contractors and the ministry," said Andrey Kokoshin.

He noted that the Bundeswehr is forced to undergo serious arms cuts and is investing the lion's share of its money into promoting combat readiness in the Army, in modernization of technical equipment, and in solving social issues for servicemen. The Russian Armed Forces face the same problems and this exchange of information will therefore clearly help our side and the German side, Russia's first deputy defense Minister underlined.

Adamishin Says Russian Position on Kuril Dispute Unchanged

LD2307170493 Moscow ITAR-TASS in English 1640 GMT 23 Jul 93

[By ITAR-TASS diplomatic correspondent Aleksandr Krylovich]

[Text] Moscow July 23 TASS—The Russian position regarding the Kuril dispute with Japan did not change and it does not want to accentuate on the problem, according to First Deputy Foreign Minister Anatoliy Adamishin.

"The position of Russia towards the problem of Kuril islands remains unchanged - it is necessary to hold complex negotiations on normalising relations with Japan and not to accentuate on a certain problem", he told TASS on Friday.

Adamishin, who was commenting on the decision of the Russian parliament to introduce a moratorium on talks on the Kuril islands, regretted that the positions of the legislative and executive authorities "diverge more and more".

Talks With Japan on Credit Terms Held in Tokyo

LD2507124193 Moscow Russian Television Network in Russian 1000 GMT 25 Jul 93

[From the "Vesti" newscast]

[Text] The first Russian-Japanese talks on drawing up the terms for implementing 1.8 billion dollars of credit to insure Tokyo's trade operations with Moscow have taken place in Tokyo. They were held behind closed doors by representatives of a number of Russian Federation ministries, the government apparatus, and the Central Bank with Japan's Ministry of International Trade and Industry and the National Export and Import Bank. The second round of talks will be held in Moscow in August. The sides intend then to draw up a preliminary text of the agreement.

Iran Stresses Atomic Energy Solely for 'Peaceful Purposes'

LD2507074993 Tehran IRNA in English 0646 GMT 25 Jul 93

[Text] Moscow, July 25, IRNA—Iranian Ambassador here Nematollah Yazdi reiterated that application of atomic energy by Iran "is solely for peaceful purposes."

In an interview with Moscow-based daily 'IZVESTIYA' published here Saturday, Yazdi noted that Iran, a member of the International Atomic Agency, adhered to the agency's principles that limit application of the atomic energy only to peaceful purposes. He said that talks with Russian officials on two projected atomic reactors in Iran were nearing conclusion, expressing hope that experts of both countries would shortly begin their cooperation in that area.

The Russian daily also quoted the Iranian ambassador as saying that Iran did not contemplate any warlike action against any country and that the refurbishing of its military hardware was solely for defensive purposes.

Izadi also referred to Boris Yeltsin's visit to Tehran this winter and said that the trip would be in return for the official visit that President Akbar Hashemi-Rafsanjani paid to Moscow in 1989.

Pointing to the fact that Iran's mediation between the republics of Armenia and Azerbaijan last year took place upon demand made by the two countries, he noted that if such a demand was renewed Iran would once again begin its mediation efforts. Yazdi reiterated that Iran did not intend to interfere in internal affairs of Azerbaijan and underscored the importance of adopting a peace-seeking policy by the Republic of Azerbaijan towards its neighbours.

Commenting on present situation in Iraq, the Iranian ambassador said that certain countries tended to magnify the issue of the Kurds in Iraq in order to pave the way for the division of the country to which Iran was opposed.

Iranian Embassy Disputes Comments by Israel's Beilin

PM2307111593 Moscow IZVESTIYA in Russian 23 Jul 93 First Edition p 6

[Letter from Iranian Embassy Press Department under the "International Departments' Mailbag" rubric: "Doesn't This Regime Pose a Danger?"]

[Text] Your newspaper published an interview with Dr. Beilin, Israeli deputy foreign minister, headlined: "Arms Sales to Iran Are a Strategic Mistake." Since his statements regarding our republic are clearly biased, we considered it necessary to set out a few facts.

Dr. Beilin accuses Tehran of supposedly posing the main danger to the region. But Israel itself emerged as a result of conquering Palestinian territories and still fails to comply with UN decisions and resolutions (primarily Resolutions 242 and 338) regarding the withdrawal of its troops from the occupied territories.

Since 1982 Israel has occupied part of Lebanese territory (in breach of Resolution 425) and is still expelling Palestinians from their native land (in violation of Resolution 799). What is more, unlike Tehran, Tel Aviv has refrained from acceding to the Nuclear Nonproliferation Treaty and has not signed an agreement with the International Atomic Energy Agency. Doesn't this regime pose a danger in the Near East?

While considering arms sales to Iran a strategic mistake, Mr. Beilin fails to take into consideration the fact that Iran has the smallest military budget of the 15 Persian Gulf states (such as India, Egypt, Saudi Arabia, and Israel).

[Signed] The Iranian Embassy Press Department

Kurdish Envoy Advocates 'Federative Union' Within Iraq

PM2307132593 Moscow IZVESTIYA in Russian 23 Jul 93 First Edition p 6

[Undated letter from T. Hasan, Democratic Party of Kurdistan representative to the CIS, under the "International Departments' Mailbag" rubric: "Successes of Iraqi Kurdistan's Authorities"]

[Text] Just over a year has elapsed since a government was formed in Iraqi Kurdistan. It was the culmination of a difficult process.

The Kurds suffered for many years from genocide, particularly from the regime of Saddam Husayn, who waged and is still waging war against it in all forms. In 1988, for instance, the Iraqi authorities used chemical weapons against the civilian Kurdish population of Halabjah (16 August 1988), and used them again in August 1988 in Dahuk Province. The result was that over 5,000 people died and 1 million Kurds escaped from Husayn's repressions to neighboring countries.

After the Gulf War ended the Kurds raised a rebellion, and Saddam Husayn sent troops to suppress it. Then, by decision of the United Nations, a "safe haven" was established north of the 36th parallel.

In order to normalize the situation in the region the Iraqi Kurdistan Front called on the people to hold nationwide parliamentary elections. The elections were held 19 May 1992 under UN supervision. The parliament of Iraqi Kurdistan became an authority in law responsible for the fate of the people. The parliament elected a government and a Cabinet of Ministers 4 June 1992. Winning the support of the Iraqi opposition it adopted a historic declaration 4 October 1992 saying that at the present period in history the Kurds are developing their legal relations with the central authorities on the basis of a federative union within democratic Iraq.

Despite the continuing bombardments, terrorist acts, economic blockade, and constant threats from Iraq, the government has been able to establish normal life in Kurdistan. Schools, institutions, and hospitals have been opened, refugees have begun returning to their native land, and agriculture is being revived. There have also been successes in foreign policy. In particular, Kurdish parliamentary missions have opened in many Near East and European countries. The idea of a federative union may help preserve a unified Iraq. The Kurds need the support of the world community, they do not want to fight and go hungry again.

[Signed] T. Hasan, Democratic Party of Kurdistan representative to the CIS.

Government Restricts Movements of DPRK Diplomats

SK2407002093 Seoul YONHAP in English 0009 GMT 24 Jul 93

[Text] Moscow, July 23 (YONHAP)—The Russian Government has decided to restrict the movements of North Korean diplomats and their direct contact with Russian Government officials, the daily SEGODNYA (TODAY) reported Friday [23 Jul].

The newspaper said that if North Korean diplomats wanted to contact government officials other than those of the Foreign Ministry, they could do so only through the Foreign Ministry.

North Korean diplomats would also have to get Foreign Ministry permission if they wanted to go out of Moscow, it said.

Diplomats of all other countries are not subject to such restrictions, the newspaper said.

The Russian Government apparently made the decision because Russian diplomats in North Korea are under similar restrictions and because diplomatic relations between the two countries have tensed up following a recent beating of Russian diplomats there, the newspaper said.

Magazine Urges Abolishing DPRK-Russia Logging Accord

SK2407233893 Seoul KBS-1 Radio Network in Korean 0500 GMT 22 Jul 93

[By correspondent Kim Son-ki from Moscow]

[Text] The Russian magazine NEW AGE pointed out that there is a secret supplementary document contained in the logging agreement established between North Korea and Russia. It also reported that this secret supplementary document which guarantees the activities of the North Korean intelligence agency in Russia should be abolished.

NEW AGE reported that in conformity with this secret supplementary document, North Korea can infringe upon the North Korean people's human rights at a logging site in (Chokdomin), Khabarovsk.

NEW AGE reported that in accordance with this document, Russia and North Korea are cooperating with each other in the search, detention, and extradition of North Korean fugitives. It also pointed out that North Korean lumberers' passports are being confiscated and they are being provided with temporary identification cards instead.

NEW AGE anticipated that if this secret agreement is abolished, Russia will expel the North Korean intelligence agency in Russia, Russian police will be in charge of the security at the North Korean logging site, and North Korean lumberers will be able to possess passports. They would be free to travel in Russia like other foreigners.

NEW AGE reported that for the past three years, 22 lumberers attempted to escape from a North Korean logging site. One of the attempted escapees will be forwarded to a Russian court soon and other people are busy trying to obtain resident rights in Russia.

No Plans for Diplomatic Ties With Taiwan

LD2307132293 Moscow ITAR-TASS in English 1242 GMT 23 Jul 93

[By ITAR-TASS diplomatic correspondents Sergey Staroselskiy and Aleksandr Smelyakov]

[Text] Moscow July 23 TASS—Russia does not plan to establish diplomatic relations with Taiwan either in the near or in the distant future, according to a Foreign Ministry spokesman.

"Russian policy in the Taiwan issue remains unchanged" Boris Kutovskiy told reporters on Friday, adding that cooperation with Taiwan is carried out only at non-state and unofficial levels.

"We view Taiwan as a part of China and recognise the government of China as the only legitimate government with which Russia maintains official diplomatic relations", he said, adding that it is the internal affair of the Chinese people to choose in which form to solve the "Taiwan issue".

Russia is interested that a solution is reached by a peaceful way and does not damage security and stability in the Asian and Pacific rim region, according to the spokesman.

Romanian Interior Minister, Yerin Discuss Drug Trafficking

LD2307212793

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 2000 GMT on 23 July, in its "Novosti" newscast, broadcasts a 1-minute video report by correspondent Sergey Shevtsov on a meeting between Russian Internal Affairs Minister Viktor Yerin and his Romanian counterpart Georghe Ioan Donescu.

The correspondent notes that drug traffickers are switching to the east European route, including Romania, and that Russian and Romanian law enforcers are cooperating to beat them. He adds that this and other problems such as immigration and car theft are being discussed by the two ministers.

The report concludes with the correspondent pointing out that the meeting is being held at Donescu's request. The video shows Donescu and Yerin meeting.

Foreign Ministry Welcomes Results of Ibero-American Talks

LD2307150493 Moscow ITAR-TASS in English 1346 GMT 23 Jul 93

[By ITAR-TASS diplomatic correspondents Aleksandr Smelyakov and Sergey Staroselskiy]

[Text] Moscow July 23 TASS—"Moscow assesses very highly the results of the third meeting of the heads of state and government of the Ibero-American countries that has ended in Salvador, Brazil," Boris Kustovskiy, Russian Foreign Ministry deputy spokesman, said on Friday.

Of special importance is "the readiness of Ibero-American countries to support the process of non-proliferation of weapons of mass destruction in all its aspects and do everything possible to ensure the implementation of the treaty on nuclear non-proliferation in Latin America," Kustovskiy said. He stressed that this would create good prospects for further cooperation with these countries in this direction.

Commentary Views Consequences of Situation in Nigeria

LD2307211893 Moscow Radio Moscow World Service in English 2010 GMT 23 Jul 93

[Commentary by Vladlen Mikhaylov]

[Text] Now a view of the recent developments in Nigeria from Vladlen Mikhaylov:

Many facts put in doubt whether the Nigerian military are really willing to bring to a happy end the national quest for more democracy. Even though it was on their initiative that Nigeria embarked on the road of democracy, the military have been waiting on the sidelines while the Association for a Better Nigeria filed legal suits to expose corruption and election fraud, and the court's verdict was taken advantage of to check the country's advance to democracy.

The Nigerian authorities saw one month as insufficient time for revealing the facts of corruption and red tape they presumably have. As a result the world public has grown increasingly concerned about the future of the Nigerian democratic process. Many public figures in and outside Nigeria are fearing that the political crisis may mature into a serious civil conflict. Government bodies of a number of countries, including the Russian Foreign Ministry, have issued special statements on Nigeria.

The Russian Foreign Ministry has deplored the declaration of the election returns null and void but the Russian Foreign Ministry hopes Nigeria will still meet its democratic objectives. Although Russia has made its position more than clear, news agencies are reporting the spread of leaflets in Nigeria which claim that Russia is not interested in the democratic change in Nigeria. Russian citizens in Nigeria have heard personal threats. What the leaflets say is absurd and personal threats are provocative.

The latest actions by the Nigerian military, the arrests of dissidents and the suspension of a number of media editions, prove that the political crisis is worsening. The escalation of repressive actions will hardly produce a solution. A solution can be found only by way of negotiations and compromise.

Claims of Russian 'Great-Power Tendencies' Rejected

PM2307105793 Moscow ROSSIYSKIYE VESTI in Russian 23 Jul 93 p 7

[Vyacheslav Yelagin article: "What Is Behind the Allegations of Russia's 'Great-Power Tendencies'?"]

[Text] In a number of republics of the former USSR the thesis of the "intensification of great-power tendencies" in Russia's foreign policy is being dragged out into the open. It is being claimed that Moscow is increasingly fiercely defending its political, economic, and military interests from great-power positions. Consequently, it is claimed, its foreign policy course is assuming features typical of the old Soviet empire.

How do these "great-power tendencies," which some figures in nearby foreign lands are alleging so persistently and loudly, manifest themselves? According to those figures, Russia is consciously kindling interethnic conflicts in the geopolitical area of the former USSR so as to accelerate the processes of integration in the CIS. "Great-power tendencies" are also seen in Russia's legitimate desire to protect the basic rights of the Russian-speaking population in Estonia, Latvia, and some other regions and to uphold national interests conditioned by the need to protect its external borders. The corresponding measures taken by the Russian leadership, which are usually of a diplomatic character, are viewed as nothing less than political pressure, economic blackmail, aggressive intentions, and so forth. There has been an extremely negative reaction to the decision on the creation of territorial military commands. This shows Russia's intention to "reinforce the outlying regions of the empire, which have been weakened, and to prevent them from gaining independence." In short, there is no end to the list of things that people dislike about Russian foreign policy.

But there is one significant detail. It has become especially fashionable to seek "the hand of Moscow" in the domestic political events taking place in these countries. Certain politicians in the Transcaucasus republics are proving the most "clairvoyant" on this score. An indicative example is provided by the speech by "ousted" Azerbaijani President A. Elchibey to Turkish journalists in Nakhichevan in which he pointed to alleged Russian interference in Azerbaijan's internal affairs. In A. Elchibey's opinion, Moscow is behind the events in the republic because it did not want Azerbaijan to make progress along the path of democracy. This is the pot calling the kettle black, as we say—an attempt to pin the responsibility for one's own blunders and mistakes on some mythical external danger.

Incidentally, the myth of "Russian intrigues" has been used in Baku before. Some time ago G. Gasanov, Azerbaijan's permanent representative at the United Nations, stated in an interview in THE WASHINGTON TIMES that "Russian hard-liners are sending terrorist groups to Azerbaijan to cause unrest among the ethnic minorities living there, in particular the Kurds." In addition, Gasanov accused certain circles in Moscow of using "methods of political terror," probably with regard to Azerbaijan.

Let us all leave all these groundless fabrications about Moscow's "great-power tendencies" and the "Russian danger" to the conscience of the authors and their ilk. It is strange that they are being voiced by responsible politicians who are supposed to be pursuing a line of developing friendly relations between states. Even though the "great-power tendencies" that they have been speaking about so often of late do not prevent their independent countries from enjoying Russia's generosity in the form of preferential credits, reduced prices for raw materials and mineral resources, and so forth.

Moscow resolutely rejects all attempts to cast doubt on the democratic thrust of Russian foreign policy or its orientation toward the principles and norms of international law. Russia does not need seats of tension and is doing everything possible to stabilize the situation along its entire border.

Commentary Calls For Limit on Arms Exports

LD2407132993 Moscow Radio Moscow World Service in English 1110 GMT 24 Jul 93

[Announcer-read commentary by Yevgeniy Krishkin]

[Text] Experts on the payroll of the U.S. Congress have compiled a report on the sale of weapons to Third World countries. Commentary is by Yevgeniy Krishkin:

Weapons are flowing non-stop to the developing countries. Last year almost 24 billion dollars worth of weapons were sold to the Third World. This is slightly less than the figure in 1991. But such wholesale buyers as Libya and Iraq found it difficult to purchase weapons last year.

The permanent members of the United Nations Security Council remain the world's leading arms sellers. The United States accounts for more than half of all the arms deliveries to the developing countries, or an equivalent of almost $14 billion. France and Britain follow with increased arms exports to the Third World. Russia, on the contrary, has reduced its arms exports to $1.3 billion. In 1986 the Soviet Union exported $28 billion worth of army hardware. Once the Soviet Union broke up Russia embarked on a road for military conversion and started scaling back its defense programs.

Trends other than this are also manifest in international arms trade. A substantial part of arms exports are delivered to troubled regions which feature as or may come to feature as conflict zones—primarily the Middle East. Saudi Arabia, Kuwait, Israel, and a few other countries emerge as the main buyers in that region. According to the Congress experts, Saudi Arabia alone received 30 percent of all the arms deliveries to the Third World in the period from 1989- 1991. It was buying the most sophisticated army hardware.

While the oil rich nations of the Gulf area and highly developed Taiwan can afford buying arms, poverty and backwardness are the price most developing countries are still paying for their arms imports. Nonetheless, they, too, keep buying.

Much has been said and written on the need for better control of arms exports. Certain agreements have been reached to rule out the sale of technologies and components for the production of mass destruction weapons. The United Nations has been calling on arms sellers to refrain from selling to troubled regions. Life shows, however, more action is needed to put a limit on arms exports. The international community must take sweeping action to change the situation.

Political Issues

Yeltsin Warns Parliament of 'Serious' Consequences

LD2307175593 Moscow ITAR-TASS World Service in Russian 1650 GMT 23 Jul 93

[Text] Moscow, 23 Jul (ITAR-TASS)—The press service of the president of the Russian Federation made the following statement today:

"The Supreme Soviet of the Russian Federation has recently undertaken a number of steps aimed at removing Russian society from making decisions on topical tasks of constitutional structuring and at bringing the constitutional process—which was begun by the president, and the successful completion of which people will link to the attainment of stability in society, first of all in economic life—to a standstill.

Moreover, the actions of the Supreme Soviet are acquiring more and more distinctly an antireformist character. They are aimed more and more clearly at restoring the very system that the people of Russia rejected decisively about two years ago; in April this year, at the referendum, they reaffirmed this choice of theirs.

The president has also not failed to notice the recent events connected with the attempts of the antireformist and antidemocratic forces to strike a blow at the key spheres of the reforms, and their efforts to hinder the normal functioning of the government and the whole system of executive power and individual representatives of the system. This also includes the attempts made by the Supreme Soviet to infringe on the prerogative of the president to appoint ministers and, in the case of the mayor of Moscow, on the rights of the electorate. The president will not make any decisions in relation to Interior Minister Viktor Yerin only on the basis of the unfounded recommendations of the Supreme Soviet.

The president believes that these attempts undertaken by one of the branches of power "to get the biggest slice of the cake" are beginning to acquire features of well-known methods of seizing power and are fraught with the most serious negative consequences for the young Russian democracy. He intends to make every effort to prevent this from happening."

Parliament 'Infringing' on Powers

LD2307173393 Moscow ITAR-TASS in English 1658 GMT 23 Jul 93

[By ITAR-TASS correspondent]

[Text] Moscow July 23 TASS—President Boris Yeltsin will not sack Viktor Yerin, the interior minister, as the parliament had requested him to do, according to the Presidential Press Service.

"The president will not adopt any decisions regarding the interior minister on the basis of groundless recommendations of the Supreme Soviet", it said in a statement on Friday [23 July], accusing the parliament of infringing on the authority of the president to appoint ministers.

The press service also accused the parliament of mounting anti-reform efforts of late. "In recent days the Supreme Soviet of the Russian Federation undertook several steps aimed to distract the Russian society from solving the burning tasks of constitutional construction and stall the constitutional process initiated by the president", it said.

The actions of the parliament are clearly becoming antireformist and aimed at restoring the old totalitarian system, according to the press service.

The president noticed the attempts to deal a blow on key issues of reform, to impede the work of the government, according to the press service.

"The president believes that the attempts of one branch of the authority to 'pull over the whole of the blanket' begin to resemble the well-known methods of seizing power and are fraught with most dangerous and negative consequences for the young Russian democracy", it said adding that the president will take all efforts to prevent it.

Yeltsin Cuts Short Vacation

LD2407204693 Moscow Mayak Radio Network in Russian 2000 GMT 24 Jul 93

[Text] Boris Yeltsin, president of Russia, cut short his vacation and returned to Moscow today, or, rather, yesterday.

As the president's press service announced, he shares the unease of the reform supporters with regard to the political situation in Russia linked to several decisions by parliament which are distracting society from tackling the topical tasks of creating a constitution.

Yeltsin Must Not 'Dodge' Duties

PM2607102993 Moscow IZVESTIYA in Russian 24 Jul 93 First Edition p 1

["Editorial Viewpoint" article]

[Text] The past few days have been notable for a series of events liable to sharply alter the situation in Russia in all spheres of its life without exception. This applies above all to a number of decisions reached by the Russian Federation Supreme Soviet on fundamental problems relating to the transformations taking place in the country.

We will recall just a few of them. In the political sphere many new difficulties have been caused by the parliamentary decree "On the Status of the City of Sevastopol," which essentially contains Russian territorial claims against Ukraine. It has forced sovereign Ukraine to appeal to the United Nations. The UN Security Council has issued a statement deeming the Russian Federation

Supreme Soviet decree to be null and void. Nonetheless, the situation around Sevastopol is tense and continues to deteriorate.

The package of documents concerning privatization that has been prepared at the Supreme Soviet, along with the decision announced by parliament to transfer the powers of the State Committee for the Management of State Property to sector ministries, threatens to produce new difficulties in the economy since it is essentially nothing more than an attack on economic reform. Another major threat to Russian reform in the economic sphere was the Supreme Soviet's ratification of the budget for 1993, which envisages a ceiling of 22.274 trillion rubles for the budget deficit. Yet the parliamentarians spared no money when it came to military needs. At a time when no additional funds have been found for the social program, the military budget has grown considerably in comparison with the sums the government had calculated. What are we to make of this? Perhaps the ideas of conversion and Army and weapons cuts are out of tune with the times?

The transformation of the Tajik-Afghan border into a zone of military operations and the buildup of Armed Forces and armaments in this region—where, whatever people might say, Russian Army subunits form the basis of the military might—all create a dangerous seat of international tension that threatens to turn into a full-scale bloody war. Is it for this region alone that it is planned to allocate more funds than had been expected by the forces, which firmly adhere to the idea of reasonable sufficiency in the armaments sphere?

Needless to say, events of a seemingly private nature relating to the political and personal fate of two officials close to the president—V. Shumeyko and M. Poltoranin—are not a side issue either. The appearance of prosecutors in the offices of one of them, and the Supreme Soviet's immediate consent to the lifting of deputy's immunity and, de facto, to the subsequent arrest of the other has all taken on a form in which there are undoubtedly present the elements of a kind of show, even though in essence in terms of content everything was very similar to a public lynching [grazhdanskaya kazn] of the president's closest supporters, his team, and his political line.

So what does the president himself think about all this? We must assume that he has been informed and has his own opinion. Unfortunately, this opinion is not being made available to the general public. It is not surprising that the newspapers are full of speculation. "It cannot be ruled out that Boris Yeltsin will veto the Sevastopol decision, which fails to take the results of direct talks between the two countries' presidents into account." "Boris Yeltsin will obviously veto parliament's adoption of the budget law"... When the country is being rocked by such events and when its democratic future is being placed in jeopardy, Russia should be hearing the voice of the president himself rather than speculation. So far, only the voice of the representative authorities has been clearly heard. And many people get the impression because of this that events in the country are increasingly starting to develop according to a scenario penned not in the Kremlin but in the White House.

Talk about dyarchy in the country and about the confrontation between parliament and the president has been continuing for some time. It had died out for a while after 25 April when, having obtained new confirmation of the people's confidence, the president was again talking firmly and resolutely. This period culminated in the Constitutional Conference, whose results have repeatedly won the public approval for both the president himself and for leading members of his team. But now the Constitutional Conference has ended and the president, pleased with its results, has gone on vacation, as if believing that all of Russia's political life would be taking a break with him.

This has not happened and could not happen. Was the president right under these circumstances to cut himself off from state affairs, leaving events not even to drift, but to be directed by the will of his very effective political opponents? No, even on vacation the president has no right to dodge his duties or events which could result in his returning—as did the first and last president of the USSR—to a different country. Russia must hear the president's voice and his opinion about what is happening in the country today.

Yeltsin Issues Decree on Adoption of Constitution

LD2407142993 Moscow ITAR-TASS World Service in Russian 1350 GMT 24 Jul 93

[Text] Moscow, 24 Jul—Due to the necessity of providing democratic guarantees for the constitutional process in Russia, and guided by a striving for civil peace, Russian Federation President Boris Yeltsin today issued a decree on the procedure for agreeing a draft constitution for the Russian Federation. At the same time he restated the approval by the Constitutional Conference of a single draft constitution of the Russian Federation. This information came from the press service of the president of the Russian Federation.

In accordance with the decree it is considered necessary to agree the Russian Federation draft constitution, prepared and approved by the Constitutional Conference, with the legislative (representative) bodies of state power and the heads of executive authority (presidents of the republics) of the subjects of the Russian Federation. The participants in the Constitutional Conference are recommended to help explain the clauses of the Russian Federation draft constitution, and also participate in discussions of it by the bodies of state power of the Russian Federation subjects. The Russian Federation Council of Ministers chairman and the Russian Federation Presidential Administration head are instructed—in accordance with the results of the discussion (agreement) of the Russian Federation draft constitution by the bodies of state power of Russian Federation subjects—to produce proposals on a date for holding a plenary session of the Constitutional Conference.

A working commission in charge of completing the draft constitution of the Russian Federation must sum up the views on the Russian Federation draft constitution expressed by the Russian Federation Supreme Soviet, the legislative (representative) bodies of state power of the components of the Russian Federation, the presidents and the governments of the republics of the Russian Federation, heads of executive power of krays, oblasts, autonomous okrugs, and of Moscow and St. Petersburg, as well as their recommendations regarding the procedure for adopting a new constitution of the Russian Federation. A working commission must also come up with relevant proposals.

Yeltsin Decree Supports Patriotic Education of Citizens

LD2507123893 Moscow Programma Radio Odin Network in Russian 1100 GMT 25 Jul 93

[Text] Russian President Boris Yeltsin issued a decree on support for the activities of the Russian Defense, Sports, and Technical Organization in the patriotic education of citizens and in the development of technical, applied, and aviation types of sports and the technical creativity of young people. Local executive authority bodies are called upon to extend all-around assistance to the Russian Defense, Sports, and Technical Organization in the performance of its statutory tasks.

Yeltsin Names Shumeyko VE Day Committee Head

LD2407213693 Moscow ITAR-TASS World Service in Russian 1458 GMT 24 Jul 93

[Text] Moscow, 21 Jul—Taking account of the historic importance attached worldwide to the victory over fascism, and in order to coordinate the activities of central and local authorities in preparing and holding celebrations of the 50th anniversary of Victory Day and other memorable dates in the Great Fatherland War of 1941-1945, the president of the Russian Federation has signed a decree setting up a Russian organizing committee to prepare and hold such events. First Vice Prime Minister Vladimir Shumeyko will chair the committee.

The decree also instructs the Russian committee to draw up and present to the Russian Federation government a draft program of preparations for the celebration of the memorable dates, and it orders ministries and departments to take the measures necessary to put the burial places of servicemen in order and to find and bury the remains of people who died.

The Moscow city government, together with the Russian Federation ministries of defense and culture, are instructed to ensure that construction of the memorial complex on Poklonnaya Gora in the city of Moscow is completed in time.

Yeltsin Approves Statute on Administrative Library

LD2407212393 Moscow ITAR-TASS World Service in Russian 1450 GMT 24 Jul 93

[By ITAR-TASS correspondent]

[Text] Moscow, 24 Jul—Russian Federation President Boris Yeltsin has approved a statute on the library of the Russian Federation administration. As a structural subdivision of the administration, the library fulfills the task of providing information on the activity of the president, vice-president, the president's administration, and the apparatus of the Council of Ministers on the basis of Russian and foreign books, periodicals, official documents, and data bases.

The library has the right to establish direct contacts with libraries and information institutions in the Russian Federation, as well as with other bodies and institutions, to establish international cooperation, conclude agreements, and to hold conferences, meetings, and seminars.

The director of the Library will be appointed and dismissed by the president.

National Security Council To Hold Emergency Meeting

LD2607095693 Moscow ITAR-TASS in English 0942 GMT 26 Jul 93

["Russian National Security Council To Hold Emergency Meeting"—ITAR-TASS headline; by ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow July 26 TASS—The Russian National Security Council is expected to meet in the Kremlin at 16:00 on Monday, informed source told ITAR-TASS.

According to the same sources, the preliminary agenda of the meeting comprises two items: concerning the situation on the border between Tajikistan and Afghanistan and measures to stabilize it, and "miscellaneous".

It can be surmised with a considerable degree of certainty that the security council will discuss the situation which emerged in the wake of the Central Bank's decision to withdraw from circulation all banknotes issued from 1961-1992.

Shumeyko Says He Will Sue Rutskoy, Makarov

LD2307175193 Moscow Russian Television Network in Russian 1600 GMT 23 Jul 93

[By correspondent S.Milyanchikov; from the "Vesti" newscast]

[Text] We asked Vladimir Shumeyko to comment on the decision taken by parliament today [to begin criminal proceedings against Shumeyko].

[Begin Shumeyko recording] Political tension is mounting. On one hand, we have the statement from the Supreme Soviet. On the other hand, there are calculated actions targeted at certain individuals with the aim of unsettling them, forcing them to get involved in something else, to try to justify themselves. There are also attempts to scare one into doing something. But I am not easily scared. I would like to stress again that I am totally convinced that I am in the right. I can account for every word I said, for everything I did. [end recording]

Vladimir Shumeyko, for his part, intends to submit an application to court shortly.

[Begin Shumeyko recording] I am going to bring a civil lawsuit against Rutskoy and Makarov for insult. I am going to hand all the documents in my possession to the court. As for today's Supreme Soviet decision to start a preliminary investigation, it is all right by me, because only the court that can bring in a final verdict on who is wrong and who is right. [end recording]

'Democratic Russia' Council Condemns Economic Conference

LD2307143893 Moscow Radio Rossii Network in Russian 1400 GMT 23 Jul 93

[Text] The coordinating council of the Democratic Russia movement has condemned the all-Russian economic conference that the parliament is jointly preparing with the government. It is the council's view that the conference will adopt decisions aimed at implementing antimarket, antidemocratic reforms.

Isakov Calls For 'Legitimate' Adoption of Constitution

LD2507175993 Moscow ITAR-TASS in English 1745 GMT 25 Jul 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow July 25 TASS—The new Russian Constitution should be adopted in a legitimate way. This thesis keynoted the speech by Vladimir Isakov, chairman of the parliamentary Committee for Constitutional Legislation, delivered at a conference of chiefs of councils of various levels here today. He said the constitutional crisis experienced by the country has no "objective reasons" and is caused above all by an "erroneous economic policy." Nevertheless, there are several ways in which the new constitution can be adopted without infringing the existing legislation, Isakov said.

The chairman of the parliamentary committee rejected the proposal to refer the draft constitution to be coordinated with subjects of the federation. He said this document had not yet been worked out sufficiently. Besides, subjects of the federation already consider the "presidential" draft constitution, and referring a new document to them will only cause extra confrontation between branches of the federal power, Isakov said.

Isakov noted that if the "presidential" draft is supported by over two thirds of the number of subjects of the federation, it will be submitted to a Congress of People's Deputies in accordance with legislation. However, Isakov doubted that subjects of the federation will assume this stance. He believes a new Russian Constitution cannot be adopted earlier than 1995.

National Salvation Front Holds Congress

Front Must Take Initiative

PM2307183093 Moscow SOVETSKAYA ROSSIYA in Russian 24 Jul 93 p 1

[Interview with Ilya Konstantinov, chairman of the National Salvation Front Political Council Executive Committee, by correspondent N. Garifullina; place and date not given: "Front Goes Onto the Offensive"]

[Text] The Second National Salvation Front [NSF] Congress opens in Moscow 24 July. Our correspondent N. Garifullina asked the chairman of the NSF Political Council Executive Committee to tell us about its aims and tasks.

[Konstantinov] First, I must say that the geography of the NSF's influence has broadened considerably. We have received applications to participate in the congress from 60 regions, and guests are expected from all the republics of the former USSR, with the exception of Turkmenia and Kyrgyzstan. The First NSF Congress took place last October, and since then the socioeconomic position and political situation in Russia have changed radically. In this connection the opposition and the NSF, which unites the opposition's most resolute supporters, must study the situation and define new strategy and tactics for the political struggle. Without anticipating the results of the congress, I wish to say that in all probability the question of further consolidating the opposition, and in that connection reorganizing the NSF's administrative structures, will be examined. We must make our movement more aggressive and militant, and to that end a degree of centralization and discipline are needed.

In our view the Front must live up to its name—that is on the one hand, and on the other, in all probability, the congress will discuss going over to aggressive opposition tactics. The political initiative has thus far belonged largely to the presidential team. It has imposed on us its own rules of the game, while the opposition was on the defensive. We believe that this must come to an end, and we must take the initiative into our own hands. Favorable conditions are created for this by the increased activeness of the Supreme Soviet, which is adopting an increasingly principled stance.

The main principle of our activity in future is, in my view, to give every possible support to soviets at all levels as the

legitimately elected organs of power, and resolutely to cut short any attempts by the presidential team to go beyond constitutional limits. This defines the boundaries of possible political compromises. All attempts to push through the presidential draft Constitution, bypassing the Congress of People's Deputies, and to organize and conduct early elections without the sanction of the legislature must be resolutely rebuffed.

The NSF's fundamental principle is the abolition of the post of president of the Russian Federation and the formation of a government of national salvation, under the control of the Congress of People's Deputies.

Urges 'Liberation Revoluton'

LD2407113993 Moscow Russian Television Network in Russian 1000 GMT 24 Jul 93

[Video report by correspondent M. Lillevyali, including recorded remarks by Ilya Konstantinov, chairman of the Executive Committee of the NSF Political Council—from the "Vesti" newscast]

[Text] [Announcer] I have just been told that the report on the National Salvation Front [NSF] congress is ready.

[M. Lillevyali] The congress will discuss the opposition's strategy, tactical issues, and what actions to take in the near future. More than 60 Russian regions and delegations from the Baltic countries, Belarus, Ukraine, Abkhazia, Azerbaijan, and Central Asia are participating in it. Ilya Konstantinov, chairman of the Executive Committee of the NSF Political Council, gave a report. Having pondered a little on the political and economic crisis in Russia, Konstantinov summed up:

[Konstantinov] The liberation movement is gathering strength. The situation is ripe for a national liberation revolution.

[Lillevyali] The people close to the president have become a party of high treason, the democratic movement a party of degenerates, Ilya Konstantinov said. Against this background of the universal demoralization of democrats, soviets of all levels are taking up an ever clearer national state position. The influence of the NSF on congress and parliament is increasing, and together with the deputies, the Supreme Soviet's leadership—in the person of Ruslan Khasbulatov—is waking up. According to Konstantinov, Khasbulatov today supports the opposition on the majority of important issues, as does the most sensible part of the president's team, in the person of Vice President Rutskoy. Konstantinov defined the NSF's main tasks—the transfer of all power to the soviets, the formation of a national salvation government, and the immediate elimination of the post of president.

The combination of the words "elimination" and "president" aroused an unambiguous response in the hall—they gave a standing ovation and shouted "Down with Yeltsin."

Proclaims Start of 'Struggle'

LD2507174893 Moscow Ostankino Television First Channel Network in Russian 1445 GMT 25 Jul 93

[By Boris Koltsov; from the "Novosti" newscast]

[Text] It is difficult to say exactly what made the leaders of the National Salvation Front [NSF] hold today's session of the forum behind closed doors. They did not allow correspondents in either because they did not want any arguments that might arise during the course of the session to be reported or because they wanted to attract more attention to their forum. We did not manage to get a precise answer to this question. While the film crew was on its way to the Enthusiasts' Cinema, where the session was being held today, its participants were already leaving. But we did manage to find out something of the results and, at the same time, about whether there were any arguments.

[Koltsov interviews General Makashov, who is not further identified, outide the Enthusiasts' Cinema] I am from the Novosti program. Could you comment on what happened today, since the press was not allowed in. Was anything decided?

[Makashov] Yes, it was decided to continue the fight against the occupation regime as a united front.

[Announcer Tatyana Mitkova] So the NSF today proclaimed the start of the national liberation struggle in Russia. According to information from INTERFAX, the three strategic aims of the political offensive have emerged: The first is transferring all state power to the soviets, the second is the setting up of a government of national salvation and implementing emergency measures through it, and third is the liquidation of the post of the president and the entire presidential hierarchy.

Congress Ends; Resolutions Adopted

LD2507202393 Moscow ITAR-TASS in English 2010 GMT 25 Jul 93

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow July 25 TASS—The second congress of the National Salvation Front (NSF) concluded its two-day work on Sunday [25 July], adopting a large number of resolutions and announcing that the opposition launches an offensive.

Some 15 hundred people participated in the NSF congress. The main document of the forum "The political decision of the NSF congress" assesses the alignment of the political forces in Russia, lists "successes and defeats" of the opposition and analyses their causes and sets out "the new strategy and tactic of the NSF at the present stage." The statement says that the front launches an "all-out offensive". "We have no choice. Either we launch a decisive offensive and replace the criminal regime, or we shall be crushed and lose our motherland", the statement says.

Specific tasks of the front are defined: The forming of a national salvation government accountable to a congress and given special powers to implement an emergency programme to introduce order and stability in the socio-economic and socio-political situation in the country and the elimination of Russian presidency "which failed to justify itself".

The congress of the Front has also adopted the resolutions "on the right of the Russian people to reunification", "on the sovereignty of Russian territories", "on the status of Sevastopol", "on the protection of the scientific, technical and cultural potential the people". The congress has also adopted a resolution "on the confiscation of funds from the population" which describes the measures announced on Saturday as "ill-considered and leading to the deterioration of the socio-political and economic situation", as dealing a blow at the financial system and interests of the working people.

Gennadiy Zyuganov, co-chairman of the front, told ITAR-TASS that the congress gave special attention to organisational tasks. Changes, specifically, were made in the Front's regulations, in accordance with which decisions of higher organisations of the Front are obligatory for those at lower levels.

Filatov Hits 'Psychological Attack' on Poltoranin

PM2607093793 Moscow IZVESTIYA in Russian 24 Jul 93 First Edition p 1

[Interview with Sergey Filatov, leader of the Russian president's administration, by Valeriy Vyzhutovich; place and date not given: "Sergey Filatov: Prosecutor's Attack on President's Immediate Entourage is Political Act"]

[Text] The search of the office of Mikhail Poltoranin, leader of the Federal Information Agency, that was conducted 22 July by a team from the Russian Federation General Prosecutor's Office, along with the Russian Federation Supreme Soviet's consent to institute criminal proceedings against Vladimir Shumeyko, Russian first vice premier and former Russian Federation people's deputy, has agitated society and stirred up a wave of rumor, conjecture, and suppositions. At IZVESTIYA's request Sergey Filatov, leader of the Russian president's administration, sets out his view of these events.

[Filatov] I am entirely convinced that these actions are political. They are the logical continuation of the action taken recently by the parliamentary leadership and the vice president with a view to seizing the initiative they lost following the referendum and later during the Constitutional Conference. These actions are aimed at preparing public opinion for a change of power. Khasbulatov and Rutskoy will use whatever means it takes to compromise people in the president's immediate entourage to this end.

[Vyzhutovich] What are your grounds for this interpretation of events? What is exceptional about the fact that, during an investigation into corruption, the Prosecutor's Office should show an interest in two officials?

[Filatov] But Poltoranin has nothing to hide! There have recently been lots of newspaper articles and TV and radio programs shedding light on a lot of the contents of Rutskoy's "suitcases." All the documents are open and available—they were even issued without being classified "secret" or "for official use." Take them, study them! After all, Poltoranin himself is hiding nothing. His papers are open to any scrutiny, and he calmly passed them to the investigators 22 July. But why was it necessary to make the visit to Poltoranin so frightening? Nine people turned up—four from the Prosecutor's Office and five, I was told, from the Security Ministry. This was a psychological attack aimed at being oppressive, frightening, and instilling fear.... That was how the "organs" operated in 1937.... The main aim, the same old objective, is to create in society a fear of new "enemies of the people" and to revive an atmosphere of universal distrust and suspicion. It is easier to settle accounts with your political opponents and to achieve your corporate objectives in such an atmosphere.

[Vyzhutovich] How do you explain the unprecedented activeness shown by the Prosecutor's Office's in corruption cases lately?

[Filatov] It is not difficult to note that this sudden vigor and efficiency on the part of the law enforcement organs has coincided with the political activeness of Khasbulatov, who, exploiting the president's absence and the interval since the Constitutional Conference, is trying to demonstrate who the real boss is in this country. It is also worth noting that the so-called struggle against corruption has been stepped up on the eve of the all-Russia economic conference, which will state that the government is ineffective and corrupt. For instance, to this end the General Prosecutor's Office has appealed to parliament to give its consent to the institution of criminal proceedings against First Vice Premier Vladimir Shumeyko, as a former Russian Federation people's deputy. But the General Prosecutor's Office is blatantly ignoring proper form—it has not considered it necessary to inform the president and head of state of its intentions.

[Vyzhutovich] Incidentally, what was Yeltsin's reaction to the search of Poltoranin's office and the attempt to institute criminal proceedings against Shumeyko?

[Filatov] The president has been told.

[Vyzhutovich] What action will he take in response?

[Filatov] I think that the president is currently monitoring the course of events, analyzing them, and drawing his conclusions. Any haste on his part would be undesirable. After all, he is clearly being provoked into taking abrupt steps so as to stoke the atmosphere, exacerbate the situation, and cause a split in society.

Volskiy Wants To Create New Opposition Party

LD2307180393 Moscow ITAR-TASS in English 1725 GMT 23 Jul 93

[Text] Moscow July 23 TASS—The All-Russian Union "Obnovleniye" (Renewal) led by Arkadiy Volskiy intends to create a new party oriented towards factory managers, entrepreneurs, scientific and technical intellectuals, and workers, "Ostankino" news program reported on Friday evening.

Volskiy noted that representatives of Russia's 36 regions "came out for the creation of an industrial party". Judging by the situation in the country, the party will be in opposition to the government's present course. Volskiy accused the government of "concealing the true state of affairs, while output decline is continuing and the crisis is being aggravated". He did not rule out a possibility of serious social upheavals already this autumn or winter.

"Obnovleniye" leaders believe that Russia should rely upon its own production capacity, and the enhancement of economic ties with Belarus, Kazakhstan, Ukraine and other former Soviet republics.

The new party of industrialists is expected to be officially formed in autumn of 1993.

Elections Urged by 60 Democratic Parties in 1993

LD2307175293 Moscow ITAR-TASS in English 1657 GMT 23 Jul 93

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow July 23 TASS—Representatives of nearly 60 democratic organizations put their signatures under an appeal to Russian President Boris Yeltsin calling to accelerate the adoption of the new constitution and announce parliamentary elections in Autumn of 1993.

The appeal circulated on Friday [23 July] at a news conference of "Democratic Russia" leaders calls upon the president to speed up constitutional process which they believe has been deliberately dragged out lately.

The document urged the head of state and delegates to the Constitutional Convention to finalize the draft of a new constitution and of an interim act on elections to the Federal Assembly. It also called to attach the force of constitutional law to the chapters of the constitution on federal power and administrative bodies, as well as the temporary act on elections to the Federal Assembly, and to call, by a presidential decree, early parliamentary elections in Autumn 1993.

Deputies Want To Retain Congress Until 1996

LD2307163793 Moscow ITAR-TASS in English 1454 GMT 23 Jul 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow July 23 TASS—Hard-line lawmakers proposed to the parliament to prolong the life of the Congress of People's Deputies until 1996 although its mandate officially expires in 1995.

Vladimir Isakov, chairman of the Committee on Constitutional Legislation, proposed the following scheme to ensure the success of the manoeuvre: 50 per cent of deputies in both parliamentary chambers should be reelected every two years and the first elections can take place in Autumn 1994. The second rotation will be then scheduled for 1996 when the presidential elections are to take place.

According to his plan, the Congress will transfer its powers to the parliament simultaneously with the presidential elections and will cease to exist after that.

Isakov explained that otherwise new legislators elected in 1995 may cancel all laws adopted by the current parliament.

"One of the illnesses of our political system is that we are objectively set to stage a revolution every five years", he said adding that every new parliament begins to work by amending what the predecessors have done.

The parliament in the democratic Russia was elected only once, in 1990.

Parliament Chairman Ruslan Khasbulatov warned against hasty conclusions on the proposal. "This is just a point of view, we cannot be prisoners of a point of view", he said, adding that all opinions on the matter are to be known.

Left-Wing Democrats Criticize Government Policies

PM2307121193 Moscow ROSSIYSKAYA GAZETA in Russian 23 Jul 93 First Edition p 2

[Aleksandr Meshkov report under the "Parties and Movements" rubric: "Left-Wing Democrats Against Course of Pauperization"]

[Text] Members of the Congress of Left-Wing Democratic Forces [CLDF] Consultative Council held a press conference at the Moscow City Soviet. This political bloc was formed last fall. It comprises seven political parties and public organizations. It is now preparing for its second congress.

The originality of the CLDF's political tactics lies in the fact that, while offering a left-wing alternative to government policy, the congress—unlike the communist opposition—opposes violent means of solving problems and unconstitutional moves from whatever quarter and advocates the primacy of the rule of law and democracy. And, as was stressed at the press conference, the threat of a reversion to an economic "state of emergency" and the administrative edict system grows by the day as a result of the present economic collapse.

Recently, on the basis of a critique of the government's socioeconomic course, the positions of the "democratic left" and the centrist Civic Union have drawn closer. The decision was made to create an election bloc—the Coalition of Civic Forces. But the CLDF has no intention of giving up its independence. It is traditionally oriented toward a sociopolitical spectrum "further to the left" than the Civic Union and constitutes, according to the Congress leaders' statements, a very significant force: 20 to 25 percent of voters are ready to support the left-wing democrats' position at the elections. However, there is no point in rushing the elections.

The press conference criticized the executive branch of government's position on the soviets, particularly the notorious slogan that soviets are incompatibile with democracy. "In that case there is no democracy in Germany either," was the mordant remark by V. Kagarlitskiy, member of the Party of Labor Executive Committee. "Local councils exist there, too. However, no one takes it into their head to regard them as a threat to the market economy."

Those present at the press conference were informed of a statement by the Congress Consultative Council, which says, among other things: "The concentration of the majority of the population, which is losing its bearings in the free-fall of living standards, on the problem of their own survival, and the electronic mass media monopoly are being exploited by the ruling grouping for but one end—to complete the dividing up of the country's riches by a handful of nouveaux riches and to support economic domination by political means."

'Blitz' Constitutional Reform Seen Fizzling Out

MK2307105093 Moscow SEGODNYA in Russian No. 36, 23 Jul 93 (Signed to Press 22 Jul) p 2

[Sergey Parkhomenko report under the "Initiative" rubric: "Shock-Therapy Constitutional Reform Fizzles Out; Prospects for Fresh Referendum Look Even More Realistic"]

[Excerpts] The Russian Federation Supreme Soviet apparently responded to the official submission of the draft Fundamental Law approved by the Constitutional Conference to parliament in the most expectable and natural fashion. It was precisely this scenario that Deputy Prime Minister Sergey Shakhray mentioned in a recent interview for SEGODNYA as the most unpleasant (and therefore the most likely one) for the sponsors of the presidential constitutional initiative: "It will be decided to send everything to committees, commissions, subcommittees, and subcommissions...." [passage omitted]

Russian Deputy Prime Minister Yuriy Yarov, who was briefing journalists on the administration's views regarding the situation, adamantly protested against plans to treat the Constitutional Conference's draft "as some kind of raw material for processing." In Mr. Yarov's view, the Congress of People's Deputies will have to review both alternative drafts separately, at least because the parliament is not entitled to ignore the president's right to legislative initiative. Regarding possible dates for the convening of the deputies' forum, he recalled that the hall of the Supreme Soviet's plenary meetings tends to look more and more deserted on the eve of the upcoming recess, and said that the end of September or November is the most preferable date because it would guarantee a quorum at the congress.

Yuriy Yarov also discussed in sufficient detail the prospects for a referendum, to which the president will have to resort if the congress turns down his legislative initiative. "We will give the people the right to answer whom they can entrust with adopting the Constitution—the incumbent parliament, newly elected deputies, or a specially elected Constitutional Assembly," he said. By all appearances, Mr. Yuriy Yarov was not overly concerned over the favorable outcome of the referendum: "Those who wrote in the question of the attitude to the government's policy at the previous referendum were confident that it will surely not be supported. But they did support it! Now, again, if they ask a blunt question, they will get an answer they do not expect. They people understand and feel they should give support...."

Meanwhile, reports are coming in from confidential sources in the Yeltsin administration that they are fully aware of the fact that attempts to use a blitz or a shock therapy to pull off a constitutional reform have effectively fizzled out. The authors of the constitutional reform have from the outset regarded 15 July as something of a provisional deadline. Since the operation brought no tangible results by that date, there is no longer any need to rush the events: whether a new plenary meeting is held in the Kremlin at the beginning of August or at the beginning of September, whether the congress convenes early or late in the autumn—what difference does it make now....

State Secrets Law Provisions Criticized

PM2607095593 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 23 Jul 93 (signed to press 20 Jul 93) p 2

[Svetlana Orlyuk report: "'Glavlit' Returns? Security Specialist Vladimir Rubanov Comments on New Draft Law 'On State Secrets'"]

[Text] So, a law whose speedy adoption has been demanded for so long by the democratic public and their opponents in the state security service may be about to be adopted. However, such rare unanimity does not mean that norms which suit one side will be greeted with rapture by the other. Therefore I think that the law will provoke a disparate political reaction. That is natural—citizens and the state basically have conflicting interests on matters of secrecy.

I think that, because the number of people involved in drafting the new law was extremely restricted, its political quality leaves a great deal to be desired. All the references to specific legal regulation and the small number of professionals with a knowledge of the problem of secrecy are no justification for the hush-hush work on the draft. There

have been no public discussions or even any parliamentary hearings. Ministry of Security representatives even ignored the activity of the working group from the Russian president's State-Legal Administration, which prepared a legal support concept for information processes and the provision of information [informatizatsiya] in Russia in the package of draft laws "On Information and Provision of Information," "On Information Support for Russian Federation Economic and Social Development," and "On Commercial Secrets," as well as the CIS countries' draft interstate agreement on information problems.

I also seriously doubt the social value of the draft and its utility for the country's economy.

The United States for instance has no special law on state secrets—access by citizens, private organizations, and the mass media to information held by state institutions is regulated by the laws on freedom of information and "privacy"—noninterference in private life. Information of commercial value is protected by a system of laws on intellectual property. While the president's directives on safeguarding information pertaining to national security are a case apart. They are the exception to the law on freedom of information. Thus, state law is rendered subordinate to civil law and the foreign legislator acts on the basis of presumption of nonsecrecy. The principle is a simple one: A citizen there does not have to ask to be given documents and justify the need for this, but a state institution is obliged to justify its refusal subject to the relevant restrictions.

In our case the fact that the law on state secrets was the first to reach the finishing straight (incidentally the whole package of basic information laws was prepared and discussed by specialists far earlier) showed that everything has reverted to the way it was, priority once again rests with the state's interests. The principle of undoubted secrecy enshrined in the draft once again restricts the citizen's rights.

Article 11 for instance reads as follows: "If information corresponds to current...lists of information liable to restricted access...that is cause for access to be restricted. If it is impossible to equate information obtained (formulated) with information on the current list, officials...are bound as a preliminary to restrict access to the information obtained (formulated) in accordance with the proposed level of secrecy..." In simpler terms, a procedure is being introduced whereby virtually any information has to be examined to see if it is on the list of information liable to restricted access. In the event of doubt access can be restricted in advance before a top official passes judgment. It looks as though any information is considered a priori secret as it were, while it is only the remainder that is considered not to be a secret.

Since this process will most likely be directed by the notorious personnel of the "first departments," the law will provide all the conditions for them to exercise "doubts" and "show vigilance."

On the other hand many people may be involved in the process of hunting out possible secrets—let us read Article 9 of the draft: "Organs of state power, enterprises, establishments, and organizations, which have obtained (formulated) this information are responsible...for justifying the need to classify that information as a state secret"! In accordance with Article 10 officials can for instance confiscate an engineer's intellectual property, it only has to be "put" on the list. Moreover, the draft gives officials an opportunity to interpret the law's norms (you can see from V. Mirzayanov's "case" how officials in the political vigilance department are doing that already today) and conceal any undesirable articles about themselves.

Article 22 causes quaking among those curious people who themselves or whose relatives have dual citizenship, live abroad, or are about to permanently live abroad. You do not obtain access to secrets if for instance your daughter has married a Ukrainian. Along with access you do not obtain work either since, for some posts and professions, restricted access to secrets is tantamount to a ban on the profession itself.

Incidentally, the archive department has simply been omitted from the draft law on state secrets. Nor will you find a description of possible violations in the sphere of state secrets in the draft. These matters are still regulated by the criminal code.

From the Editorial Office

Let us give credit to our expert's restrained assessments and tact.

And we thank the budget, discussion of which prevented the law on state secrets being adopted last Friday.

Poltoranin, Media Officials on TV, Radio Law

LD2307111593

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1817 GMT on 22 July carries an unscheduled program lasting 40 minutes entitled "The Russian Federation Law on TV and Radio Broadcasting." The program consists of a roundtable discussion on this topic by Mikhail Poltoranin, head of the Federal Information Center; Aleksey Simonov, chairman of the Foundation for the Defense of Glasnost; and Kirill Ignatyev, first deputy chairman of the "Ostankino" television company. The moderator of the discussion is commentator German Solomatin.

Solomatin begins the program by describing the Russian Federation law on television and radio broadcasting, which is to be adopted in the next few days. He asks for Poltoranin's opinion first.

Poltoranin begins by saying that the chairman of the Supreme Soviet mass media committee, Lysin, has refused to participate. Other members of the committee also refused. Solomatin explains that indeed others were invited, but did not come.

Ignatyev then begins the discussion by saying that the new law is of great significance and describes it as "an attempt on the fourth estate." He says that the new law sets up supervision councils over television, which will function not only in the center, but also in the regions. The majority of members on these councils will be representatives of the Congress of People's Deputies. This leads to the conclusion, in his opinion, that "in fact an all-Russian party of censorship is being created with its own federal bodies and own local bodies in various regions." Every television company will be supervised by people who are not professionals, but appointees of the Supreme Soviet who "will work on program policy. The question arises: is this not censorship?" They will have great control over programming, Ignatyev states. "More than 200 new state bodies are being created which are to totally control the mass media and which are being allocated colossal resources."

Solomatin interrupts to say that this is ironic at a time when television and radio are suffering from a lack of funds. Ignatyev agrees, stating that the "the Supreme Soviet has already instructed that the federal council in Moscow alone be allocated 140 million rubles," and will have accommodation of at least 1,500 square meters.

Solomatin then asks Poltoranin why all this has arisen. Poltoranin replies that the Supreme Soviet argues that the mass media has been taken over by the executive authority. This is not true, he stated, saying "today, of over 2,500 newspapers published in Russia which are financed mainly by the state, around 2,300 are subordinate to the soviets and financed by them. The soviets control them." There has been an attempt to create a balance, for example with the "Ostankino" TV company, established by the executive authorities, while on the other side there is the All-Russian State Radio and Television Company, which was established by the representative authorities.

Poltoranin then states that the idea that the government wants to implement is that eventually state-funded media will become independent. The Supreme Soviet's concept is the opposite: "Everything which does not belong to the Supreme Soviet is to be taken over by it. Everything which does belong to it is to be reinforced." This approach, he states, "puts not only ourselves on guard, but the whole of society." The public sees, he states, a democratic political current, headed by the president, which gives economic freedom, freedom of speech, and also an opposing current in the Supreme Soviet to "the restoration of Bolshevism via the system of soviets." He says that "recently I listened to a cassette recorded during a meeting between Ruslan Khasbulatov with chairmen of Russian soviets. I listened to it, and it seemed to me that I was listening to the words of the commander in chief and reports from the commanders of fronts."

Ignatyev then interrupts to say that a recent study has shown that Ostankino gives equal time to leading politicians supporting Yeltsin and those supporting Khasbulatov. "The document shows that the president appeared most frequently, then Khasbulatov, and then the first 15 positions or so are occupied by representatives of one or the other side. This is an objective report on who and how many have appeared on the television screen in the last two months." In Ignatyev's opinion, this shows that pluralism does exist on "Ostankino" television. The company wants to make television interesting for the viewer, he continues, whereas the new law wants to make television interesting for people who sit inside the Supreme Soviet.

Poltoranin interupts at this point to say that he does not agree with this last point, as many deputies would not like the public to see how they behave. He states that there is a noticeable tendency in society for former communists to take up positions in structures of power, and they need "complete control of the mass media so as to be able to rain down on society the lies which they are preparing. This is why they need the mass media." He then goes on to describe the different roles played by the executive and the representative authorities: "Today we talk about the necessity of integration in politics and the economy. The executive powers of Russia, Ukraine, and Belarus actually met and created a Slavonic union. You know we signed an economic union. It was at precisely at this point—not earlier, not later—that the Supreme Soviet brought up the Sevastopol history, so as to exasperate Ukraine, so as to destroy what the executive authorities are creating."

Poltoranin goes on to say: "The worse, the better, as far as they are concerned. Of course, the press is raising its voice today in disagreement with the actions of the Supreme Soviet, and of course the Supreme Soviet doesn't like it. When the media are fully under their control, then of course they will come and say: whatever you wish, and we will pat you on the head. Aleksey Kirillovich, do you want to be patted on the head?"

Simonov replies: "Well, you know, no one's likely to pat me on the head, because I rather constantly oppose both forms of authority and remain ready to do so."

Poltoranin then says: "Now, this is interesting, because you have been, as it were, a critic of the Federal Information Center, have you not?"

Simonov answers: "Yes, certainly—and I still am. But the point is that so far, all the same, however much we come together with any public structure, they speak of the press and television as some means of political influence. The result is that the press withers, the press dries up, the press gets a dry throat, and the press also starts wheezing slogans instead of giving an objective picture of what's going on."

Poltoranin says: "The two fields, these two spheres of power, are so strongly electrified that the whole electrical arc goes through the body of the press, constantly. This politicization has a ruinous effect on the language of the press, on the morality of the press, on the responsibility of the press, on the honesty of the press. This mad tension in which....[pauses] It feeds all the time the desire, in one way or another, to manipulate. When we talk about the fourth estate today, we are really speaking of something that, well, belongs to the future. The fourth estate is one of the four estates, and it is not one that two others can juggle—as it were—between them and shift from left to right and from

right to left to see in whose favor the cards will come out. On the other hand, the fact that there was a moment when, in that sense, the presidential team was in the lead... [pauses] I spoke about this and protested, and as it seemed to me, with the forming of the Russian federal service, Russia—frankly, and it's no secret to Mikhail Nikiforovich that I am not at all a supporter of the Federal Information Center, and the affair of the Russian channel and the transformation of the Russian Company into the All-Russian Company is completely....[pauses] That is to say, there were certain decrees which, well, all you had to do was read between the lines.

"Well, thank God, you and I have lived for many years reading between the lines, so that's one skill we still possess. Nonetheless, on 20 March—yes?—the first competent, exact, and clear presidential decree came out to do with the drawing up of the whole package of documents. Unfortunately, as always with the Democrats, it came out on 20 March, with a term of one month. On 22 June the working group was finally....[pauses] Its membership was signed, and then on the 27th—I'm a member, so I know—on the 27th the first meeting of that working group was scheduled. Then the whole thing went over to the Supreme Soviet."

Simonov comments: "That's where we began making up for lost time. The making up for lost time is done on the level of inherent competence, you know? When I take a draft law and read that the declaration of the competitor—this refers to the competitor for a license—is appended to a certificate of the professional fitness of the competitor, and this certificate is used by the local soviet, then, you know, such a degree of disprespect for the profession of journalism, for the professional's profession, if I may put it so, such a degree... [pauses] In other words, everything is returning to its rut, just as it was before.

"I cannot say that we have gained all that much as professionals. I cannot name Kirill Borisovich—he's a professional lawyer, and in principle there has to be a lawyer among the company. I can't call Bragin a television professional. So I can't say that these appointments are highly professional. I have the greatest sympathy for Kirill Borisovich, and he is well aware of it. I cannot call this bringing professionals in to do a professional job either. But this is already beyond good and evil. As for the observer councils, I'm sorry, but in a civilized society such councils are set up to create a protective safety net between television and the authorities, which is meant to take the pressure off the authorities and allow television to preserve its independence. That's its main responsibility. Instead, what have we got? We have this heavy concrete slab with which they are trying to crush television. Take 'Parliamentary Hour.' Forgive me, but Britain has a parliamentary channel and America has a Congress channel. Those are channels which politely offer their news to the rest of sources of information. They say, this is what we are—take from us what you think your viewers want. Instead of that, a man comes and sits down and puts both feet on the table and says, you will watch me—and not just me, but me as I wish to show myself. That is the natural desire of people, if I may say so, who've grown up in the conditions of Bolshevik self-awareness. I say we no longer have communism, because communism is ideology—but we have Bolshevism everywhere, because that is psychology. This psychology of Bolshevism makes itself felt here as nowhere else."

Poltoranin says: "But psychology....[pauses] I'm sorry, but you said: back into our rut. No, we are not going back into our rut. We had ceased to live by those rules many decades ago. We are journalists, after all. I am a journalist, and I know that is how we worked. At least under Brezhnev the press never thought of any such thing."

Simonov asks: "Oh, come on now—what are you saying?"

Poltoranin replies: "If you recalled 'Parliamentary Hour,' then indeed what has been created by the television company as such in the Supreme Soviet and the 'Parliamentary Hour' that they put out to Russia on radio and television, and the newspaper, say, and ROSSIYSKAYA GAZETA and the other papers—that is the level of aggressiveness, the level of unsavoriness, and onesidedness—that is the level they want to have today. That is clear. You mentioned the Federal Information Center, but you can cut my arms off if the information center has issued a single document, a single order or instruction to anyone. Not one!"

Simonov interrupts, saying that the Federal Information Center has existed for more than six months and all it has done is look for money, help the media, and defend journalists from attack.

Solomatin complains that "Parliamentary Hour" is so long that it is becoming "Parliamentary Day"—and boring. But the Supreme Soviet needs it. The deputies did not go to Sevastopol and put their decisions into effect, he says.

Poltoranin then continues the discussion by saying that at the moment the Supreme Soviet is not able to put certain decisions into effect because the mass media is free to criticize them. If, however, the media was under the control of the Supreme Soviet, then the Supreme Soviet would have a free hand.

Ignatyev agrees with this, saying that "corrupt politicians are afraid of the mass media".

In response to a question from Solomatin about what he expects from the Supreme Soviet in the near future, Poltoranin says that the Supreme Soviet is behaving as if there had been no referendum and is doing everything possible to overturn the government reforms. "Nothing is sacred for the deputies," he says. He added that once elections are held, "this will be the parliament of a normal country which has entered democratic life, the democratic zone".

Simonov then complains that it is time that the Union of Journalists expressed its opinion on this law. Poltoranin interrupts and says he is sure that the Union of Journalists will express its opinion.

Simonov points out that another problem is the lack of solidarity in the mass media. His organization, the Foundation for the Defense of Glasnost, will do its best to oppose attempts to oppress glasnost, he notes. The most important thing is solidarity among journalists, he says.

Solomatin then asks Ignatyev if there is solidarity between "Ostankino" and the All-Russian State Radio and Television Company. Ignatyev replies:

"The leadership of the major Russian television and radio companies have unambiguously spoken out against these documents [the new law] and are unambiguously ready to defend freedom of speech by all legal means and to defend the right of journalists to calm, professional work, without censorship. First, we hope that the president will act as a guarantor of freedom of speech and a guarantor of the constitutional right to freely disseminate information, and he has to veto these documents.

"Second, we are convinced that it is necessary to appeal to the Constitutional Court as to how constitutional these documents are in principle, especially since, from a legal point of view, they are absurd."

He goes on to state that the people who drew up these laws are legally illiterate. He concludes by saying that "if the Supreme Soviet adopts measures to actually implement these documents, then of course the major television and radio companies will not be silent. They are able and ready to stand up for themselves. They will work actively within the framework of the law".

Ignatyev points out that in 1991 USSR President Gorbachev proposed a draft law on the mass media which was "practically the same as this document which has now been adopted. In fact, our Russian deputies have continued the work of Gorbachev in regard to the mass media."

He continues: "If you remember, at that time we all together—you in particular, and our esteemed colleagues from the Foundation for the Defense of Glasnost and independent journalists—spoke out and did not allow this attempt on the fourth estate to take place. Now we have got to stop it."

Poltoranin interrupts to say that Gorbachev would never have thought up what the Supreme Soviet has. Simonov then appeals for the authorities to try to work together as people of different political leanings managed to do at the Constitutional Conference, not only for the sake of the media but for the sake of the people as well. Poltoranin also appeals for solidarity, saying that after the Constitutional Conference it looked as if this was being achieved, but "once again the Supreme Soviet blew in like a hurricane," sowing discord.

Solomatin concludes the program by thanking those present for participating.

Minister Calls Media Law Amendments Unconstitutional

LD2507094093 Moscow Radio Moscow World Service in English 0700 GMT 25 Jul 93

[Text] Russian Press and Information Minister Mikhail Fedotov thinks that the parliamentary amendments to the media law contradict the Constitution and Russian legislation. Talking to newsmen in Moscow he said that the amendments offer grounds for closing down a publication or broadcasting company for any criticism of the authorities. The minister stressed that the decision of parliament, including the one on setting up supervising council at government and broadcasting corporations, have transformed the Russian law on the media from one of the most progressive into one of the most reactionary ones in the world.

Economic Issues

Central Bank Gives Notice of Withdrawal of Bank Notes

LD2307222793 Moscow ITAR-TASS World Service in Russian 2124 GMT 23 Jul 93

[Text] Moscow, 24 Jul (ITAR-TASS)—Acting in accordance with the law of the Russian Federation "On the Monetary System of the Russian Federation" and the RSFSR law "On the Central Bank of the RSFSR", with the aim of eliminating plurality of modifications of bank notes of equal value in circulation, and in view of fact that reserves of paper money and coins of the Bank of Russia of 1993 issue are sufficient, the Central Bank of the Russian Federation is halting the circulation of state treasury notes of the USSR, bank notes of the USSR State Bank, and bank notes of the Bank of Russia of 1961-1992 issue throughout the Russian Federation starting from midnight on 25 July 1993.

From 26 July 1993, state treasury notes of the USSR of 1961 issue of one, three, and five ruble denominations, notes of the State Bank of the USSR of 1961-1992 issue of one, three, five, 10, 25, 50, 100, 200, 500, and 1,000 ruble denominations, and bank notes of the Bank of Russia of 1992 issue of 5,000 and 10,000 ruble denominations are not to be accepted in any form of payment or transfer on the entire territory of the Russian Federation.

Bank notes of the Bank of Russia of 1993 issue of 100, 200, 500, 1,000, 5,000, 10,000, and 50,000 ruble denominations and metallic coins of the USSR and of the Bank of Russia issued in 1961 and subsequent years remain in cash circulation on the territory of Russia.

Enterprises, organizations, and institutions which from 26 July 1993 have in their possession cash to be taken from circulation should certify it at the beginning of 26 July and hand the full amount of it in on the same day to banking institutions for crediting to their account.

From 26 July 1993, state treasury notes of the USSR, notes of the State Bank of the USSR, and bank notes of the Bank of Russia of 1961-1992 issue of one, three, five, 1, 25, 50, 100, 200, 500, 1,000, 5,000, and 10,000 ruble denominations cease to be accepted as monetary earnings from trading and other organizations by banking institutions on the entire territory of the Russian Federation.

Citizens of the Russian Federation and people with equivalent status who possess a permit entitling them to residence on its territory may, for two weeks from 26 July to 7 August 1993, carry out a single, free, personal exchange of the bank notes being withdrawn at any establishment of the Savings Bank of Russia, on presentation of their [internal] passports. Moreover, bank notes up to 35,000 rubles may be exchanged directly on presentation at an establishment of the Savings Bank of Russia. The value of bank notes in excess of 35,000 rubles shall be put into a term deposit, for a term of six months, by the establishment of the Savings Bank of Russia, with interest to be added to the account at the established rate.

The Savings Bank of Russia shall record the amount exchanged and apply its seal in the passports (or in the military service card or identity card, in the case of servicemen).

Citizens of other states who are temporarily on the territory of the Russian Federation may freely exchange the abovementioned bank notes up to the value of 15,000 rubles at branches of the Savings Bank of Russia on 26 July 1993, on presentation of a passport.

All additional information on this subject may be obtained at the nearest branch of the [Central] Bank of Russia or of the Savings Bank of Russia.

Government Supports Decision

LD2307220793 Moscow ITAR-TASS World Service in Russian 2135 GMT 23 Jul 93

[Text] Moscow, 24 Jul (ITAR-TASS)—In connection with the decision by the Russian Federation Central Bank to remove from circulation in the Russian Federation from 26 July 1993 USSR state treasury notes, USSR state notes, and Russian bank notes of 1961-1992 issue, the Government of the Russian Federation announces the following:

This decision by the Russian Bank, which has been made with the aim of stabilizing the circulation of money in the country and removing the multiplicity of notes in circulation, is supported by the Government of the Russian Federation. The action which is being taken is in no way directed at infringing on the legal interests of citizens of the Russian Federation. All money that has been earned will unconditionally be exchanged for its possessors without them suffering any material loss. Money which has been taken out of circulation which is in the possession of enterprises or organizations in the form of cash is also to be submitted to banking establishments for credit to accounts within the period and according to the procedure laid down by the Bank of Russia.

This decision by the Central Bank of the Russian Federation is not directed against the economic interests of the states which use rubles as legal tender, as noncash settlements with CIS states are carried out under special payment agreements.

The Government of the Russian Federation has repeatedly expressed a desire to retain a unified economic space on the territory of the former Soviet Union and to pursue a monetary-credit and financial policy agreed with the independent states which have a common currency in circulation, which would assist in their economic development.

Central Bank Official Cited

LD2407082993 Moscow ITAR-TASS World Service in Russian 2358 GMT 23 Jul 93

[By ITAR-TASS correspondent]

[Excerpts] Moscow, 24 Jul—Aleksandr Khandruyev, deputy chairman of the Central Bank of the Russian Federation, called the withdrawal from circulation in the Russian Federation of 1961-1992 model bank notes "a carefully thought-out step directed towards the successful implementation of economic reform" in an exclusive interview with an ITAR-TASS correspondent today. In his words, "this decision by the Bank of Russia, which was agreed with the government of the Russian Federation, was taken with the aim of stabilizing money circulation in the country and cutting down the large number of different bank notes now in circulation". Besides that, it tackles "technical problems", including the withdrawal of a great mass of old bank notes, many of which are counterfeit. [passage omitted]

Answering a question on whether this step by the Central Bank of the Russian Federation would not complicate financial relations and mutual accounting with states of the so-called "ruble zone", the deputy chairman of the Central Bank of the Russian Federation emphasized: "This decision does not mean a financial break with the CIS states. All the former Soviet Union republics which are ready to work with Russia within the framework of currency and financial integration can join in and work with us." [passage omitted]

Banks Refuse Old Bank Notes

LD2407102293 Moscow Russian Television Network in Russian 1000 GMT 24 Jul 93

[From the "Vesti" newscast]

[Excerpt] [passage omitted] While we were preparing our program dozens of alarmed viewers managed to telephone the editorial office to say that savings banks and other institutions are not accepting the old notes. Our correspondent has gone to the Central Bank for an explanation. The information issued by the Central Bank clearly gives the date and time when the circulation of these notes in Russia is to cease. So, watch our evening broadcast when our bankers promise to put everything in place.

Bank Official Holds Conference

LD2407124493 Moscow Mayak Radio Network in Russian 1000 GMT 24 Jul 93

[Text] In connection with the announced exchange of 1961-1992 bank notes for 1993 bank notes, a press conference by (Anatoliy Desyatnichenko), deputy head of the chief directorate of the Russian Central Bank, took place at Russia's Central Bank today.

He gave his assurance that the exchange of money for Russia's citizens was fully prepared: 720 branches and 38 banks will carry out this operation. He completely ruled out the idea that there will be no cash in savings banks or branches on any day until 7 August. This means that every Russian will have the opportunity to exchange their money to an amount no higher than 35,000 in cash and put the remaining money on a six-month deposit. In the event of a major purchase requiring an amount in excess of 35,000 rubles [R], one may make a non-cash payment to trade enterprises. Until 26 July all shops are obliged to accept old-style money and will give change using only new money.

All coins are not subject to being exchanged, that is to say, they will continue in circulation. Vacationers or those on official business trips who have left for abroad and are unable to return prior to 7 August will be able to exchange their money later upon presentation of a certificate from their place of work.

On behalf of the bank, (Anatoliy Desyatnichenko) called on all inhabitants of the country to approach this matter sensibly and to carry out all financial operations without panic and excessive fuss, for, in the view of the deputy head of the bank, these financial operations are extremely necessary because, during the current year alone, the bank halted the payment of R207 billion upon presentation of forged letters of advice. Indeed, the motley set-up that Russian money now represents, offers rich pickings for all kinds of swindlers.

Central Bank Provides More Details

LD2407123793 Moscow Radio Rossii Network in Russian 1100 GMT 24 Jul 93

[Text] We have been informed by the Central Bank press service that the exchange of money will continue as long as necessary. After 7 August the old-style bank notes can be exchanged in payment centers. Today and tomorrow all the old-style money will be accepted in payment. Trading enterprises refusing to do this may lose their licenses.

As for banking operations with the old bank notes, they will be conducted from Monday [26 July]. Today savings banks in Moscow are already not accepting bank notes issued before 1991. It is not possible to deposit money using old-style bank notes at savings banks but they can be used in payment for communal services. The Central Bank advised those on holiday who have more than 35,000 rubles in cash to somehow keep their expenses within this amount and deposit all the surplus if they are in old-style bank notes in bank accounts. The Central Bank estimates that the population has approximately 250 billion rubles in cash in old-style bank notes which is only 12 percent of the total money supply.

In the view of staff at the press center of the Russian Central Bank there is no reason for any panic or lines. One of the reasons for the exchange of bank notes, as was the case in 1991, is the large amount of counterfeit money. Bank notes issued before 1991 are far more easier to forge than 1993 issue bank notes. At the same time the Central Bank thinks the most important task of the exchange is strengthening and stabilizing the national currency by separating off the Russian monetary system. The ruble of the 1993 issue is already a Russian ruble. Besides this the Central Bank thinks that the exchange should help to protect Russia from an inflow of the mass of rubles which have accumulated in countries previously forming part of the USSR and who have now got their own currencies.

Exchange May Extend Beyond 7 Aug

LD2507 593 Moscow ITAR-TASS World Service in Russian 1223 GMT 25 Jul 93

[By ITAR-TASS parliamentary correspondent Yuriy Fillipov]

[Text] Moscow, 25 Jul—The exchange of bank notes issued in Russia up until 1993 may be extended beyond 7 August if the Bank of Russia comes to the conclusion that the flow of money is not lessening. If this is so, every citizen of Russia will retain the right to exchange no more than 35,000 rubles of old denomination notes, Arnold Voylukov, first deputy chairman of the directorate of the Bank of Russia, said in an address to a conference of leaders of the Federation in Russia's House of Soviets.

This explanation, however, did not satisfy conference participants. The majority of them were inclined to think that the Central Bank had planned another fiscal action to squeeze money from the population. Ruslan Khasbulatov recommended that the Central Bank representative should formulate his explanations more clearly in order "to calm the population" and to convince it that every citizen will be able to exchange out-of-date bank notes.

Central Bank Official Heckled

LD2507180993 Moscow Russian Television Network in Russian 1600 GMT 25 Jul 93

[From the "Vesti" newscast]

[Excerpts] A conference-seminar of heads of soviets of various levels was held in Moscow today, chaired by Ruslan Khasbulatov. [passage omitted]

[Unidentified correspondent] It was not the new constitution around which the main passions raged at the seminar—yesterday's statement by the Central Bank shocked the whole country. People's deputies are people, too, and so, after an introductory speech by Ruslan Khasbulatov reporting back for the last session, Arnold Voylukov,

deputy chairman of the Central Bank of Russia was invited to the podium. [passage omitted]

Voylukov assured the meeting that the Central Bank had a legal right to withdraw bank notes from the population, but it can only issue new ones with the permission of the Supreme Soviet Presidium; that nothing terrible had happened; the Central Bank had acted exclusively at the request of the working people, who were confused by the multitude of bank notes; that it was permitted to change up to 35,000 rubles, and most of our fellow citizens do not have that much money.

After this statement the hall erupted with angry shouts. The participants pointed out the plight facing sailors, oil workers and miners. Nor did they forget themselves: Those attending the seminar shook packets of money received for expenses—alas, old notes! Voylukov said nothing and shrugged his shoulders. The speaker, however, could not remain silent.

[Begin Khasbulatov recording] Excuse me, but your answers are missing the point. I get the impression that you do not know what life is actually like, you have no idea what problems can arise. [end recording]

[Correspondent] The matter remained unresolved. Ruslan Khasbulatov instructed his deputy Yuriy Voronin to deal with the matter, and for a start at least, to change the expenses money for the deputies.

Chernomyrdin on Exchange

LD2407153693 Moscow ITAR-TASS in English 1526 GMT 24 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Pskov July 24 TASS—"Our people will not lose anything" during the forthcoming exchange of banknotes in Russia, Russian Prime Minister Viktor Chernomyrdin said at a press conference here today, responding to a question of ITAR-TASS.

He said there is enough banknotes for exchanging Soviet money for Russian. There will also be enough banknotes for those CIS member states which are members of the rouble zone, he added.

Speaking about the reason for taking this decision, Chernomyrdin stressed that "we need only one type of banknotes in Russia". He recalled that both Soviet and Russian banknotes were in circulation. Chernomyrdin said he was not afraid of the developments similar to those that accompanied the exchange of banknotes in 1991, when the Pavlov government was in office.

Finance Minister Critical

LD2607044093 Moscow Mayak Radio Network in Russian 0320 GMT 26 Jul 93

[Text] [Announcer] Yet again we are back to the most topical current subject. The more explanations we hear from authorities of various ranks and directions concerning the money exchange, the less we understand what is actually happening. That is why we have decided to track down Russian Finance Minister Boris Fedorov. It turned out that he is currently in Boston. We got in touch with him by telephone and asked whether he had known that the money exchange would be announced in Russia. Here is his reply:

[Begin recording] [Fedorov] It came as a complete surprise to me. The government was not preparing the decision. The Finance Ministry has nothing to do with this disgrace. Therefore, my position is unequivocal. This is an attempt to repeat the Pavlov-Gerashcheno reform of January 1991, which failed. From an economic standpoint, it absolutely does not make sense, because those who wanted to exchange money have already done so. There will be no effect on inflation but to increase; the dollar rate has gone down already. Politically, in my view, this decision belongs to the same order as many decisions recently adopted by parliament. On the whole, this undermines confidence in the state. Two weeks ago we said money could be exchanged until 1 January 1994 and then changed our position; this is a disgrace. I personally demand that the decision be fully abolished as economically and politically unjustified. In fact, this is a provocation aimed against the prestige of the state, president, and government.

I am sending my official opinion in the form of a telegram to all leaders of the state and in the form of a news release by the Finance Ministry, in which our position will be expounded in greater detail. In a day or two I will be back in Moscow. It came as a complete surprise to me. In fact, this morning I read about the decision in a foreign newspaper. Yet again we are making fools of ourselves in the eyes of the whole world. By using Bolshevik, Stalin socialist methods we are trying to resolve economic problems in the conditions of a market economy. This is inadmissible.

More on Exchange Procedures

LD2607081493 Moscow Mayak Radio Network in Russian 0600 GMT 26 Jul 93

[Text] We have just received an official report from the Russian Federation Central Bank. It says, in particular, that enterprises, organizations, and institutions that have accumulated bank notes that are being withdrawn from circulation at their counters should, by 26 July, draw up an act registering their position as of the beginning of the day of 26 July and surrender the whole amount of cash to the Central Bank institutions on the same day so that the cash can be put into their accounts.

So, esteemed businessmen, all is not lost.

As of 26 July, old-style bank notes which are being surrendered as part of takings will not be accepted from trading or other organizations. As for ordinary citizens who are exchanging bank notes which are being withdrawn from circulation, a note will be put in their passports by the savings bank's institutions backed up with an official

stamp. Servicemen will have the stamp put in their military or other identification cards.

Khasbulatov on 'Confiscatory' Move

LD2607115693 Moscow Radio Rossii Network in Russian 1100 GMT 26 Jul 93

["Text" of statement issued by Ruslan Khasbulatov, chairman of the Russian Federation Supreme Soviet in Moscow on 26 Jul—read by announcer]

[Text] Esteemed compatriots, I have the following to say in connection with the move which was announced by the Central Bank and the government and which aims at exchanging old bank notes.

First; the measures which are being implemented by the Central Bank and government have not been agreed with the Russian Federation Supreme Soviet.

Second; the setting of the ceiling of 35,000 rubles [R] for the exchanging of bank notes and the freezing of accounts for a period of up to six months is a confiscatory measure and violation of human rights which cannot be supported by the Supreme Soviet. Moreover, this action further aggravates the complex political and economic situation which has developed in Russia.

Third; in these conditions, the Supreme Soviet deems it necessary to urgently lift all restrictions for the exchange of bank notes. The exchange must be carried out in a consistent and organized manner without the interests of the Russian population and the interests of the population of the CIS countries being encroached upon.

Fourth; if the Central Bank and the government fail to lift these restrictions, we will immediately convene the session of the Supreme Soviet and take decisions accordingly. At the same time those guilty of preparing and carrying out this action will be removed from their posts immediately. I am calling upon the citizens of Russia to remain calm . Your interests will be defended by the Supreme Soviet of the Russian Federation.

Central Bank Decision Assessed

LD2607123993 Moscow Radio Moscow World Service in English 1110 GMT 26 Jul 93

[Text] The Central Bank decision to withdraw old bank notes from circulation came as a surprise to many Russians and, along with a number of other acts which the parliament has adopted recently, it is likely to further worsen the political situation in the country unless a compromise between the different arms of power is reached at the forthcoming national economic conference. However, chances for such a favorable outcome seem to our analyst, Vyacheslav Solovyev, very slim indeed, at least at the present moment.

In spite of the overtly conciliatory declarations from the parliament's leaders on the eve of the conference the practical moves of the legislature seem to have been aimed at producing a known situation wherein the worse things are the better it is. It is enough to recall the parliamentary votes designed to check privatization, a major component of the economic reform, as well as the passing of the law on the budget which, to all practical purposes, makes the financial stabilization in Russia an impossibility. Moreover, according to experts' view, the unprecedented budget deficit inherent in the law is fraught with the complete collapse of the financial system and can serve to curb all economic reforms.

In this context the decision taken by the Central Bank does not seem to endorse economic stability in Russia at first sight. An increased dollar exchange rate on the black market in relation to ruble has become one of its first consequences; and this right after a rather prolonged and steady process of dollar depreciation. In this event one can not but be slightly surprised to learn that the Finance Minister, Boris Fedorov, has heard the news of the decision taken by the Central Banl only from a telephone call from Moscow. He said the move was quite senseless economically and unpredictable politically. Moreover, it has become known that the decision was not agreed upon with the President, at least insofar as the timing and the amount of the money to be exchanged were concerned.

All this as well as the other steps to discredit President's closest followers only serves to confirm the suspicions shared by the Russian democratic community that the anti-reform faction has made up its mind to take advantage of the leave of absence of the president to try and mount an offensive and grab as much power as possible. Those were exactly the words the president's press service used to describe the situation that made Boris Yeltsin interrupt his vacation and come back to Moscow. We shall soon learn what steps he is going to take.

Fedorov Reiterates Criticism

LD2607122793 Moscow ITAR-TASS World Service in Russian 1118 GMT 26 Jul 93

[Text] Moscow, 26 Jul—Russian Finance Minister Boris Fedorov has described as "politically and economically harmful" the Central Bank's decision to exchange bank notes issued between 1961 and 1992.

Before taking off, the minister, who has been in the United States, gave an ITAR-TASS correspondent a ministry press release, signed by him in his car en route for the airport before his unplanned flight back to Moscow.

The Central Bank's actions, the document says, are "a political provocation aimed at arousing popular dissatisfaction with the president, his government, and the policy which is being pursued. It is no coincidence that this decision was taken at the very moment when the first signs of financial stabilization have appeared."

"In terms of the fight against inflation, the decision to carry out the exchange is not merely senseless, but harmful," the press release stresses. A decline in confidence in the state, a sharp fall in the ruble's exchange rate and a

flight to the dollar, and numerous abuses and machinations during the exchange process will inevitably lead to a weakening of the anti-inflationary policy.

This decision is "extremely harmful in terms of relations with the CIS countries, which use Russian cash rubles to one degree or another," the minister notes. In his opinion, the Central Bank decision should be cancelled immediately, and the leaders who prepared it should bear the responsibility for it.

Yeltsin Silent; Cabinet To Meet

LD2607124893 Moscow Mayak Radio Network in Russian 1200 GMT 26 Jul 93

[Excerpts] [passage omitted] The speech by Ruslan Khasbulatov, chairman of the Supreme Soviet, has lifted the gloom from many people. But what about our President, to whom we have entrusted our fate? Many in Russia are asking that today. The President is remaining silent, although we have heard that he is preparing a resolution or decree that will significantly amend the bank note decision. Although, as you see, the Supreme Soviet has already made its changes to it. [passage omitted]

Right now, at the government buildings on Staraya Ploshchad, the head of the Cabinet of Ministers, Viktor Chernomyrdin, is holding one of his regular meetings with the deputy premiers. Well-informed sources have told INTERFAX that the main item on the agenda is, of course, the bank note exchange. [passage omitted]

People's Deputy Gleb Yakunin, a co-chairman of the Democratic Russia movement, issued a statement earlier today. He thinks that the president should act rapidly and take the most decisive moves, even removing Chernomyrdin. Yakunin also said that Yeltsin should soon demand the immediate resignation of the Central Bank chairman, Viktor Gerashchenko. [passage omitted]

Democratic Russia Responds

LD2607140693 Moscow ITAR-TASS World Service in Russian 1259 GMT 26 Jul 93

[By ITAR-TASS correspondent Yuriy Vdovin]

[Text] Moscow, 26 Jul—"The latest action by the Central Bank, which is subordinate to the Supreme Soviet, is a new provocation intended to finally destabilize the already tense situation in the country." This statement was issued today by people's deputies who are members of the Parliamentary Coalition for Reforms and the co-chairmen of the Council of representatives of the "Democratic Russia" movement.

At a news conference held today, people's deputy Lev Ponomarev said that "over the past week the conservative forces have become much more active and a pre-coup situation has arisen in the country."

In the deputy's opinion "the Central Bank's action has once again shown just how necessary elections of a new parliament and a new legislative power and the drawing up of a new constitution are."

Ponomarev noted also that members of the Parliamentary Coalition for Reforms and the "Democratic Russia" movement had appealed to Russian Federation President Boris Yeltsin, demanding that the "Central Bank's action for confiscating the population's savings be annulled, that the powers of its Chairman, Viktor Gerashchenko, be temporarily suspended until a decision by the Supreme Soviet, and also that measures to ensure the defense of the ruble on Russian territory be drawn up." The statement calls for the "urgent convening of a session of the Supreme Soviet of the Russian Federation and for relieving Gerashchenko of the office which he holds."

Ponomarev said also that "the events which took place on 24 July are aimed at 'torpedoing' the President's reforms and the full force of this blow will fall on the President and the 'badly off' population."

Bank 'Worried,' 'Relaxed' Decision

LD2607140593 Moscow Mayak Radio Network in Russian 1330 GMT 26 Jul 93

[Text] While we wait for Russian President Boris Yeltsin's decree to become reality we have received a report that the Central Bank, worried about the way the situation is developing, has relaxed its decision somewhat. Enterprises and organizations which are responsible for rail and air transportation are allowed to accept old-style bank notes in payment for tickets both today and tomorrow. However, they are not allowed to refund the money for these tickets. There will be a special stamp on these tickets when they are issued indicating that they cannot be returned.

Procurator Protests to Central Bank

LD2607144893 Moscow ITAR-TASS World Service in Russian 1339 GMT 26 Jul 93

[By ITAR-TASS correspondent Valentin Stepankov]

[Text] Moscow, 26 Jul—Valentin Stepankov, procurator general of the Russian Federation, sent a protest note today to Viktor Gerashchenko, chairman of the Central Bank of Russia, in connection with the decision on exchanging money.

The document notes that the decision of the Central Bank of Russia of 22 July 1993 on removing from circulation USSR state treasury bills, USSR State Bank notes and bank notes of the Bank of Russia issued in 1961-1992, in the section on the introduction of conditions and the procedure for exchange notes should be revoked since it introduces restrictions, which are not provided for by legislation, on the rights of citizens to dispose of the property at their disposal.

The document says that any restrictions in any form whatsoever introduced by the state on realizing the right of ownership are inadmissible.

The decision of the Central bank of Russia, the document points out, deprives citizens of Russia to freely use money belonging to them and by dint of forcing part of it over 35,000 rubles [R] to be credited to deposits of Savings Bank institutions (fearing losing them) is essentially requisition which contradicts the procedure for removing property belonging to citizens and organizations established by the Constitution of the Russian Federation.

On the basis of what has been outlined, the Russian Procurator General proposes that part of the Russian Federation Central Bank's decision of 22 July 1993 which restricts the amount of state bank notes which citizens may exchange and compels the deposit of sums over R35,000, in a branch of the Savings Bank be annulled.

Taking into account the acute nature of the issue, the present protest should be examined immediately, the document notes in conclusion.

Yeltsin Extends Limit, Deadline

LD2607145093 Moscow ITAR-TASS World Service in Russian 1404 GMT 26 Jul 93

[Text] Moscow, 26 Jul (ITAR-TASS)—We are transmitting the text of the decree by President of Russia Boris Yeltsin "On Ensuring the Normal Functioning of the Monetary System of the Russian Federation," circulated by the press service of the president of the Russian Federation:

With a view to protecting the rights and legitimate interests of citizens of the Russian Federation, for the alteration of decisions previously taken, and also with a view to ensuring the normal functioning of the monetary system of the Russian Federation, I decree:

1. The Central Bank of the Russian Federation: is to increase the upper limit on the free once-only exchange of paper money and bank notes of the 1961-92 type being withdrawn from circulation for citizens of the Russian Federation and persons holding a registration or residence permit for its territory, to a sum of up to 100,000 rubles [R] per person, not counting the free exchange of Bank of Russia bank notes of the 1992 type with a value of R10,000; is to carry out the exchange during August 1993; is to ensure the supply of small change, perserving for the stipulated period circulation of paper money issued prior to 1993 with a value of 1, 3, 5 and 10 rubles; during the exchange operations is to take operational decisions on adjusting the exchange procedure aimed at providing guarantees for the social protection of citizens of the Russian Federation.

2. The executive power bodies in the republics within the Russian Federation, in krays, oblasts, autonomous formations, in the cities of Moscow and St. Peterburg are to take steps to ensure that the interests of the citizens of the Russian Federation during the withdrawal of bank notes issued prior to 1993 from circulation in the Russian Federation, which is being carried out by the Russian Federation Central Bank, are observed, paying particular attention to assisting invalids, pensioners, and other categories of citizens of the Russian Federation in need of social protection during the exchange of bank notes.

3. The present decree comes into force from the moment of signing.

[Signed] B. Yeltsin, Moscow, Kremlin, 26 July 1993.

Deputy Says Khasbulatov Knew

LD2607160693 Moscow Mayak Radio Network in Russian 1448 GMT 26 Jul 93

[Text] Aleksey Perfilyevich Surkov, one of the Reform Coalition deputies, telephoned Mayak today to say that he was taken aback by the decision to make the exchange of bank notes obligatory, taken by the Central Bank on 24 July. Reform Coalition deputies have had a meeting with Yeltsin and there has been a meeting with Prime Minister Chernomyrdin, attended by the Central Bank Chairman Gerashchenko. Referring to Gerashchenko, Surkov says that the main thing he said was "that this issue had been agreed with Supreme Soviet Chairman Khasbulatov and with Voronin, Khasbulatov's first deputy. Incidentally, this was done on 24 July. In this context Khasbulatov's statement that this is a decision against the people is cynical, because he gave his own, personal seal of approval to it."

Surkov says that the situation can be alleviated by extending the exchange deadlines and raising the ceilings from 35,000 rubles [R] to R100,000 and believes that the president's decree goes a long way toward achieving this goal. He concludes that this whole bombshell was in the interests of the conservative forces, ready to blow the reform process to smithereens at any time.

Gerashchenko Cited

PM2607155093 Moscow IZVESTIYA in Russian 27 Jul 93 First Edition pp 1, 4

[Ivan Zhagel report: "Central Bank Assumes Responsibility for the Action"]

[Text] All of us have been deceived again. Absolutely all of us. And whatever objective factors may be cited to justify this deception, the fact remains: Back on 6 July the Central Bank of Russia leadership announced the gradual withdrawal of old bank notes from circulation, and then two days ago it became known that this action will be quick and will naturally be a blow to the nerves and indeed the pockets of many holders of ruble notes.

Central Bank Deputy Chairman Aleksandr Khandruyev—who, incidentally, personally assured all IZVESTIYA's readers that the withdrawal of old bank notes would be gradual—explained the tough new measures by saying that after 6 July old rubles came flooding into Russia, and in order to protect Russians' interests, the bank leadership

was forced to change its plans. He also stated that old bank notes account for only 7-10 percent of the cash supply on Russia's territory, since in recent times all regions of the country have been supplied mainly with new money, while the old money was sent to other republics of the former Union, so that the exchange procedure will, it is claimed, prove painless for Russians.

However, average indicators are about as meaningless here as the average person's temperature in a hospital ward. Nor is there any reason to expect any economic benefit from the mass withdrawal of old bank notes. This was admitted by Central Bank of Russia Chairman Viktor Gerashchenko in a conversation with IZVESTIYA's correspondent 24 July. Incidentally, he attributed the initiative of exchanging old bank notes entirely to the Central Bank leadership.

When I asked whether the Russian president was informed of the planned "operation," Gerashchenko would not give an unequivocal reply, saying, at the same time, that people in the president's entourage knew about it and that, in the opinion of the Central Bank leader, they should have informed Yeltsin. He gave an equally vague answer concerning the coordination of these measures with the government, which was notified of the planned action the day before.

The Bank of Russia chairman's words also made it clear that they could have managed without the planned exchange of money had there been any certainty regarding the position of countries using rubles on their territory. The measure adopted is specifically aimed at defining the single monetary area once and for all, that is, making our partners face up once and for all to the question: Either you are with us, or else we will separate our monetary systems once and for all.

If any of the CIS countries declares its readiness to remain in the ruble zone, V. Gerashchenko said, we will quickly supply it with cash. The stocks of new paper money are, most likely, adequate for that. Whether mere declarations will be sufficient for joining the single ruble area, is a different question. After all, there have already been such declarations.

Obviously the real unification of monetary systems would require the other CIS countries to adopt a number of new laws or to amend the old ones, to bring them into line with Russia's—this applies to the coordination of customs, taxation, banking, and budget policy. This is hardly feasible in a short space of time. Especially since the republics will have to change their legislative base not as a result of agreements of some kind, but under pressure, and the emotional flareups that this will cause in the national parliaments can only prolong the process of adopting new normative documents. So this forceful move by the Bank of Russia is aimed at finally isolating its own monetary system unilaterally.

To be fair, it must be said that agreements concluded earlier in the sphere of the unification of monetary systems were not considered binding by the other republics. In any case, so far from ratifying them, not a single national parliament has to this day even embarked on their examination and the subsequent amendment of its own fundamental laws. There is another significant argument too: According to some information, a number of republics of the former Union, having fully or partially introduced their own currency into circulation, are using their amassed rubles to buy goods and hard currency on Russian territory. Such actions must certainly be clamped down on immediately, but in no circumstances must lawlessness be answered with lawlessness.

There ultimately exists an agreement among the CIS countries whereby each of them pledged to give the others at least six months' advance notice of changes in the sphere of its monetary system. The fact that the Bank of Russia has taken the step of violating these agreements is evidence, first and foremost, against it, rather than its partners. But what can you do, if unprincipledness has become the basis of our financial policy, so that it is possible to calmly turn a blind eye to inflation, which is consuming the incomes of ordinary citizens; to make impossible promises to them; and to conclude agreements that nobody intends to abide by.

Regions React To Withdrawal of Bank Notes

'Intense Reaction' Viewed

LD2407095893 Moscow Mayak Radio Network in Russian 0840 GMT 24 Jul 93

[Excerpts] A range of questions has arisen in connection with the Central Bank decision on withdrawing bank notes of the 1961-1992 models from circulation and exchanging them for new notes within two weeks. [passage omitted]

We have charged our correspondents with getting answers from senior officials in Moscow, but lots of them have gone on vacation.

In general, reports from the provinces show that the situation is calm, however, there are already instances of intense reaction. For example, here is a report from Omsk.

The report on Russia's withdrawal from circulation of 1961-1992 model bank notes has raised a storm in Omsk shops and savings bank branches. The population has rushed to get rid of its old money—incidentally, they are doing this prematurely and entirely without reason. But the savings bank stopped accepting the old money at noon—I think they too were in the wrong, they disregarded the deadline that was clearly stated, 26 July. The local savings bank management has forbidden its branches to accept the notes, even as payment for services. That is, as it were, they are completely useless.

By lunchtime, most of the savings bank branches under attack by the indignant population had closed down completely, and shops stopped taking old money. Omsk specialists consider that this action by the government and the Russian Central Bank, taken just before the weekend, is an

attempt to freeze the means at the disposal of its citizens and render them valueless through inflation.

And in the neighbouring Sovskaya [placename as heard] oblast of Kazakhstan, local traders are simply panicking. Because of the complete paralysis in non-cash payments between republics, accounts of hundreds of millions of rubles are being settled exclusively in cash. The majority of cash in circulation in Kazakhstan is made up of old notes, with which you cannot buy anything in Russia starting today.

Traders Caught in 'Money Trap'

LD2507094493 Moscow ITAR-TASS World Service in Russian 0235 GMT 25 Jul 93

[By ITAR-TASS correspondent Leonid Vinogradov]

[Text] Vladivostok, 25 Jul—Thousands of Chinese, Korean, and Vietnamese street traders who sell their wares in Vladivostok's markets on the weekends have been caught in a money trap. Unaware of the money reform introduced by the Russian Central Bank, yesterday they were still accepting pre-1993 notes. Today, however, the foreign traders have realized the new situation, in which they have the right to exchange only 15,000 rubles, and are now only accepting 1993-issue notes.

Observers note, however, that between them the traders probably have tens if not hundreds of millions of rubles dated before 1993. One Chinese citizen asked an ITAR-TASS correspondent to help him change 5 million rubles in notes issued in 1992. Having discovered that he could take the money out of the bank only after six months, however, he rushed to the nearest manufactured goods shop to buy goods and thus save his capital.

Chechenya Not To Exchange Bank Notes

LD2507121793 Moscow ITAR-TASS in English 1152 GMT 25 Jul 93

[By ITAR-TASS correspondent Sharip Asyev]

[Text] Groznyy July 25 TASS—"Decisions of the Russian Central Bank have no legal force on the territory of the sovereign Chechen Republic," governor of the Chechen National Bank Usman Imayev said in an interview with ITAR-TASS here on Sunday [25 July].

He stressed that all Chechen banking institutions will function normally, and "not a single rouble of Chechen citizens will be lost".

This notwithstanding, Chechen bankers evidently understand that the republic cannot remain in the rouble zone and be absolutely independent of the Russian bank. According to Imayev, their further actions will be known this evening.

Dudayev Calls Exchange 'Barbaric'

LD2507142293 Moscow ITAR-TASS World Service in Russian 1320 GMT 25 Jul 93

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy, 25 Jul—Dzhokhar Dudayev, president of the Chechen Republic, called the decision of the Central Bank of Russia on exchanging bank notes "a barbaric act damaging not just Russia itself but also the republics of the ruble zone." In an interview to the CHECHENPRESS agency he stated today that "the decision of the Central Bank of Russia has absolutely nothing to do with sovereign Chechnya and that all notes will continue to be in circulation in the republic." Dzhokhar Dudayev thinks that this act is directed against Russia's executive power.

It will "destroy once and for all the Russian economy, turning the dollar into the most valuable ware," the Chechen president said. At the same time, the government and national bank of Chechnya do not rule out that those who wish may exchange bank notes. The exchange rate for up to 50,000 rubles will be one to one. There will be a five percent deduction on over 50,000 rubles and up to 100,000 rubles. Twenty-five percent will have to be paid to the state if larger amounts are exchanged. Moreover, money is not handed over to the owner [khozyain] but is transferred to his account.

N. Ossetian Exchange To Be Orderly

LD2507123493 Moscow ITAR-TASS in English 1223 GMT 25 Jul 93

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz July 25 TASS—The emergency meeting of the North Ossetian parliament presidium and the government with the participation of representatives from city and district councils, executives of financial and banking organisations focused on the exchange of banknotes.

Parliament speaker Akhsarbek Galazov said that "there is no need to make more difficult or to simplify this social and economic action". The situation in Russia is such that struggle for power is in progress at the level of federal authorities, he added.

"Some people want to use this action to step up political struggle." In Galazov's opinion, the action taken by the bank "is above all in the interests of working men. Dishonest people in various regions use the fruit of Russian labour".

According to the parliament speaker, the exchange of bills in the republic will pass without any ballyhoo and political incidents, since its mechanism has been well thought out and there is no problem with cash.

Far East Banks Face Difficulties

LD2607090093 Moscow Ostankino Television First Channel Network in Russian 0500 GMT 26 Jul 93

[From the "Novosti" newscast]

[Text] Savings banks in Khabarovsk have not begun exchanging old-style bank notes for the new type. People queuing up from 0600 were told there is no money. All 1993 bank notes were used up as long ago as 24 July. In a number of savings bank branches people were invited to put all their money in deposit accounts, without the cash exchange of 35,000 rubles, but there were no takers. The mood in the queues grew tense in early morning, and savings bank staff were even threatened with weapons for refusing to exchange money.

The Russian Central Bank's decision also came as a surprise to bank staff in the Amur region. Work on exchanging bank notes did not start on time there, either.

Finance Ministry Urges Yeltsin Veto on Parliament's Budget

LD2307160993 Moscow ITAR-TASS in English 1416 GMT 23 Jul 93

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow July 23 TASS—The Russian Finance Ministry will ask the president to veto the specified budget for 1993 adopted by parliament as its implementation will boost inflation, according to first deputy finance minister.

Sergey Dubinin told reporters on Friday that amendments introduced into the document by legislators have radically changed the budget submitted by the Finance Ministry.

The parliament increased expenditures by 10 trillion roubles and the deficit of 22,274 billions is now equal to the total amount of revenues, he explained, adding that the raising of the minimal wage adopted by parliament will demand additional three trillion roubles.

"The Russian economy cannot survive such a deficit", Dubinin said. The state will not get the necessary finances in the existing taxation system. They can be provided only at the expense of credits of the Central Bank which will result in new money printing and inflation.

"As a result we shall return to the 25-27 per cent monthly inflation registered early this year", he warned.

Lobov on Production Decline, Economic Situation

LD2407231493 Moscow ITAR-TASS World Service in Russian 1435 GMT 24 Jul 93

[By ITAR-TASS correspondent]

[Text] St. Petersburg, 24—The decline in production in Russia will be halted by next year. This forecast was made in an exclusive interview given to an ITAR-TASS correspondent by Russian First Vice Prime Minister Oleg Lobov, who has been taking part in a regional meeting to discuss anti-crisis measures as part of preparations for the first all-Russian economic conference. This meeting ended in St.Petersburg today.

Even in the current difficult state of affairs, there is an opportunity to achieve a positive breakthrough in the economic situation in 1995, if all members of the federation, the government and other authorities consolidate their efforts, Lobov said. He rejected the view that the government does not have an overall anti-crisis program. There are several of them. The government is working on amendments to the plan of action proposed earlier by Yegor Gaydar's team. "In the immediate future we shall present additional measures which will enable us to get out of the crisis."

The vice prime minister stated that a process of stabilization is now under way in the economy. This is clear from the example of St. Petersburg: in January the volume of output was 78 percent of the level in the same period last year, and now it is 85.7 percent. Lobov urged broad support for agriculture and advocated the development of private farming. "The agro-industrial complex is a priority sector," he emphasized.

In order to accelerate reforms, it is necessary to improve the financial and credit system, pursue a well-considered tax policy, develop hi-tech industries, privatize large enterprises more quickly and support small and medium-sized businesses.

The participants in today's regional meeting passed a final document which, in particular, supports the basic tenets of the declaration of national economic accord and the vice-premier's report on the social and economic situation in Russia and measures to stabilize it.

Volskiy Unveils Industrial Party Economic Program

MK2407140093 Moscow KOMMERSANT-DAILY in Russian 24 Jul 93 p 3

[Nikolay Chernykh report: "Arkadiy Volskiy on Government's Economic Policy. Industrial Party Being Recreated in Russia"]

[Text] After nearly a year of debates among members of the Russian Industrialists and Entrepreneurs Union [RIEU] about the creation of a Russian industrial party, its shape was fairly clearly outlined in an economic program highlighted in the report by RIEU President Arkadiy Volskiy at yesterday's meeting of the council of the "Renewal" All-Russian Union in Moscow. The stated key objectives of the new party make it possible to detect a certain shift in the activity of the industrial lobby, which plans to set up a mass party on the eve of general elections.

Criticism of the current government's economic policy [subhead]

In Arkadiy Volskiy's view, the course of reform pursued by the current government and based on a liberal market economy model is harmful for the Russian economy. It does not take into account the peculiarity of the Russian national mentality formed by an ideology of aversion to market relations. Furthermore, another thing not taken into consideration is the dual nature of Russia's economy, deformed by the monopolistic state sector and an embryonic private sector. Illustrating Russia's social and economic indicators in 1992 and in the first six months of 1993, Arkadiy Volskiy concluded that the doctrine of "an economic blitzkrieg" failed and that the Russian economy slipped out of control. The government proved unable to stem processes combining to compound the crisis both in the short term and in the middle term. These are, first of all, inflationary tendencies, the continuing slump in economic activity, and the systematic shrinking of fuel and electric power production. In addition, society experienced a rapid polarization, and now, according to Volskiy, most people (up to 70 to 80 percent) live below the poverty line.

So, Mr. Volskiy draws a conclusion that society is on its way to yet another economic deadlock, and in these conditions it is essential "to drastically turn the vector of reform." The gist of the current conflict between the incumbent authorities and the opposition is not that they have been asked to forgo transition to a market economy, but "to choose the most realistic way toward it."

The need to set up an industrial party [subhead]

In Arkadiy Volskiy's view, the current state of society may lead to serious social upheavals. First of all, the opposition predicts that regardless of the outcome of the Constitutional Conference or actions by the Supreme Soviet and the president of Russia, the trend toward elections at all levels of authority is steadily gaining momentum. In these conditions, the opposition plans to go over to energetic actions to set up a mass industrial party. Its sponsors see opportunities for creating a broad-based organization of industrialists and industrial workers in the fact that at the current critical period the interests of managers, blue-collar and white-collar workers, and the trade unions are closer than ever. They boil down essentially to "keeping and developing the domestic industry in market conditions and ensuring an acceptable level of the people's welfare." The setting up of the new party seems to be a matter of the not so distant future given that it will draw on the available structures and personnel of the "Renewal" All-Russian Union and the Russian Industrialists and Entrepreneurs Union.

Highlights of the industrial party's economic program [subhead]

Arkadiy Volskiy reckons that the economy can be made more manageable by "depoliticizing" the government: "Government is so called because it is designed to govern, not to indulge in politicking." Another noteworthy idea is the formation of regional government bodies to be functionally subordinate to the federal government, and the granting of some policymaking functions to the Russian Economy Ministry. Regarding social policy, it was proposed that the law on minimum subsistence be rushed through and specialized enterprises be set up to produce consumer goods affordable for the socially disadvantaged sectors of the population. Among anti-inflationary measures it is planned to conclude annual "cartel" agreements, setting forth legally binding price policies of the government, entrepreneurs, and trade unions. A deflationary money reform and the freezing of prices and wages "in an extreme situation" are also a possibility. In addition, it is essential to complete a legal framework that would "be trusted by domestic and foreign entrepreneurs, especially investors." As for Western aid to Russia, it was proposed that it be given as investments in specific projects under effective state control.

[Article includes following boxed passage]

Commentary by the Economic Policy Department [subhead]

The key provisions of the economic program by Arkadiy Volskiy and the nascent industrial party are fairly simple. The proposed economic development model does not call for the development of raw material sectors and not even of the military-industrial map of science-intensive production (as Volskiy himself put it), but for "an intensive expansion of our own production of high-quality, competitive consumer goods," the development of the agro-industrial sector and the engineering sectors servicing it, and also the chemical and electronic industries. The thinking is that thereby they will manage to stimulate consumer demand and thus achieve economic growth. The stated method to implement the plan envisions the strengthening of government regulation and a combination of market and central-planning regulators. This is a method Arkadiy Volskiy sets off against the methods employed by the Gaydar government, which he summed up as a loss of control over the economy, an emphasis on survival on one's own, and an economic Darwinism, damaging for Russia. Notably, according to Arkadiy Volskiy it is essential to emphasize not the promotion of small businesses, but the formation of "pillars of a market economy"—financial and industrial groups, holding and trust companies, and multinationals.

As for the issue of financial policies and a clampdown on inflation, a centerpiece of any economic program, Arkadiy Volskiy's approach to it is even simpler. It was proposed that price growth be checked by concluding annual cartel agreements on prices between the government, the trade unions, and entrepreneurs. As a last-resort step, it was suggested that prices and wages be simply frozen by decree.

On the whole, the program's distinguishing feature is that it is particularly outspoken in calling for a return to the system of central planning. At the same time, in a typically technocratic manner, it is presumed that only an increase in the government's planning role and an emphasis on

large industrial complexes can help achieve real competitiveness and production efficiency. It is perfectly clear that this viewpoin. enjoys support from influential groups in the director corps.

Notably, from the point of view of international experience the arguments that if a high level of technological development and production efficiency is to be achieved, a mixture of planning and market mechanisms is indispensable, was typical for many developing countries in the seventies and eighties. It has become evident, however, that even in South Korea, which has gone farthest along this road, state intervention was actually hampering an efficient economic development rather than boosting it.

Food, Processing Industry Conference Held

PM2307112993 Moscow ROSSIYSKAYA GAZETA in Russian 23 Jul 93 First Edition p 4

[Report by Aleksandr Gavrilyuk: "Peasants Have a Battle Again, This Time for Controlling Block"]

[Text] A con :rence of workers in the food and processing industry has completed its work in Moscow. And here is an interesting detail: At the recent Agrarian Union congress under pressure from the delegates Viktor Chernomyrdin stated that in the very near future the government will examine the expediency of the existence of the committee for the food and processing industry, but at the conference today demands were heard for the committee's transformation into a ministry—in order thus to impart higher status to processing. Vice Premier Aleksandr Zaveryukha frankly told me: "The question of the committee's existence is not being discussed in the government." And Agriculture Minister Viktor Khlystun, although he was opposed to singling out the committee as an independent entity (in his view it is more sensible for processing to exist as part of the Ministry of Agriculture) he will not insist on its abolition. Just go try to understand government policy after statements like that.

Nonetheless there is no more important task for the country than the processing of the agricultural produce that has been grown—over half the harvest falls by the way. Were it not for that we would not have to travel the world with outstretched hand asking for grain, meat, butter, and milk. The problems are old ones and I believe it was not worth gathering together such a representative conference merely to note them.

But a new, hitherto unfamiliar, theme has also emerged. That is primarily the overproduction of food. Over 35,000 tonnes of meat and 40,000 tonnes of butter have accumulated in the regions and in Krasnodar Kray alone there are 90,000 tonnes of sugar lying around unwanted. There is no possibility of selling this resource—Russian food is too expensive and the population has less and less money. And at the same time according to rumors steamships with far cheaper Chinese sugar are being unloaded at the ports of Murmansk and St. petersburg. It is true that they say this sugar is not suited to preparing liquor under domestic conditions so there is a hope that preference will be given to our product.

But meanwhile after the release of prices for energy carriers and the increase in the bank's prime rate for credit, the purchase price of sugar beet will increase from 5,000 to 25,000-30,000 rubles [R] a tonne, and consequently we will buy sugar in the store at R1,000 a kilogram. All foods in which sugar is used will become considerably more expensive. At the same time there is a shortage of production capacities and the time taken to process sugar beet is as much as 140 days and for that reason alone the country loses 200,000 tonnes of sugar a year.

It is the same with meat. The processing of food output from one tonne of raw material is 20-30 percent below the level of developed countries and losses of meat resources comprise 200,000 tonnes and the situation is deteriorating. That is why in the dairy industry about 500,000 tonnes of protein contained in skimmed milk and whey are taken out of our food resources.

The vegetable oil situation can only be called strange. The country produces approximately six kg per capita. The recommended minimum norm is 13 kg and, incidentally, in the United States, with which we have grown accustomed to compare everything, 30 kg are produced per capital. Under these conditions last year Russia allocated export quotas for oil crops for as much as 305,000 tonnes, which is equivalent to 160,000 tonnes of vegetable oil. And that in turn has "entailed" a reduction of 300,000 tonnes in the production of margarine compared with 1990. But look: The shelves of our stores are swamped with Swedish and Danish margarine... This year it is planned to purchase 387,000 tonnes of vegetable oil.

On the other hand most regions are expanding their production of vodka and liquor and spirits. The 56.5 million decaliter quota for liquor allocated in 1993 for the Russian Federation for this purpose was exceeded by 2.2 million in the first half of the year alone. And at the same time there is a catastrophical shortage of spirit for doctors, pharmacists, and other sectors. Everyone can draw his own conclusion...

For all that committee chairman Magomedtagir Abdulbasirov announced that the range of children's food in trade was no more than two or three brands and children are provided with only 24 percent of the liquid milk products, 30 percent of the dried milk formulas, and 21 and 12 percent respectively of the canned meat and fruit and vegetables they need. Hence the reduction in the birth rate throughout the country.

Nonetheless the main topic of this conference was, surprisingly, privatization. The point is that the overwhelming majority of processing enterprises are choosing the so-called second option, whereby 51 percent of shares belong to the collective. Having received the controlling block of shares, the food processing industry also acquires the opportunity of diktat over the peasants. Whereas before monopolism was state monopolism, now it has acquired

the clearly expressed features of departmental monopolism. The processing industry dictates the price and decide whether or not to take particular agricultural produce.

Vice Premier Aleksandr Zaveryukha spent a good hour persuading the processing industry to abandon the tactic whereby the collective egotism of the processing enterprises is becoming the main thing. It remains to be guessed whether he persuaded them.

The consequences of this policy on the part of the processing industry industry are not hard to predict. Already collective and state farms and private farmers, fleeing this diktat, are creating their own minishops and processing plants, which often do not meet modern requirements, wasting funds and making irrational use of raw material. In brief it is the same old story: The "reds" used to rob them, now the "democrats" are robbing them—where are the peasants to go?

The question of the price for grain also arose, perhaps the most important question today, although it does not have a direct bearing on this conference. But neither government deputy chairman Aleksandr Zaveryukha nor Minister Viktor Khlystun cited a precise figure. Although they were obliged to admit that since the release of prices for energy carriers the situation has changed fundamentally. Some R50,000 for a tonne of grain is not a price. Today, when a tonne of diesel fuel costs R130,000, there is perhaps some point in trying to exchange a tonne of fuel for a tonne of grain? That, or approximately that, is what the whole world does and our neighbors in Ukraine and Kazakhstan have traveled this path. But both my interlocutors refused to answer my question. Nonetheless a price will be set for the next government session and permanent talks are under way between the Agrarian Union and representatives of the government.

Supreme Soviet

Committee Rejects Debate on Kurils Talks Moratorium

PM2307122593 Moscow IZVESTIYA in Russian 23 Jul 93 First Edition p 3

[Aleksey Portanskiy report: "No Grounds for Raising Question of Moratorium on Talks on Territorial Problem"]

[Text] The Russian Supreme Soviet Committee for International Affairs and Foreign Economic Relations on Wednesday [21 July] discussed the possibility of immediately submitting to the Supreme Soviet session the question of a moratorium on conducting Russian-Japanese talks on the territorial question until 1996.

It was notably S. Mikhaylov, deputy chairman of the committee, who initiated this issue, and, according to INTERFAX, he was actively supported by Deputies Ye. Pudovkin, G. Sayenko, and I. Andronov.

Explaining the expediency of an extensive discussion of the question of a moratorium on the aforementioned talks, S. Mikhaylov referred to the appeal of Sakhalin Oblast Soviet to the parliament, president, and government "On the Need for Urgent Measures to Give Federal Assistance to the Stabilization of the Socioeconomic Situation on the Kuril Islands." However, Committee Chairman Ye. Ambartsumov insisted that no hasty decisions should be made, and the question should be postponed at least until September.

In actual fact there are no formal grounds for discussing this question right now at the Supreme Soviet session, unless you count possible rumors or conjectures by individual deputies in respect of the prospects of talks on the territorial problem with Japan. The aforesaid appeal from Sakhalin Oblast Soviet cannot serve as a reason either, because S. Mikhaylov did not even submit the actual text of the document, limiting himself to verbal references to it.

On the other hand, it is perfectly obvious that a discussion in the Supreme Soviet of the question of a moratorium on the Russian-Japanese talks on the territorial problem now would scarcely promote the creation of a normal atmosphere during President Yeltsin's visit to Japan scheduled for the fall. Particularly since no one today knows whether the territorial problem will be broached at all during this visit. In any case, judging by recent utterances by Boris Yeltsin himself, the Russian side deems it expedient to leave this question for future generations of politicians.

As it proved possible to clarify in the Supreme Soviet, the majority of members of the Committee for International Affairs and Foreign Economic Relations did not support the initiative to discuss the question of a moratorium on the Russian-Japanese talks on the territorial problem in the Russian parliament, and at the present moment, it is not included on the session's agenda.

Khasbulatov Addresses Cultural Workers 22 Jul

PM2307180093 Moscow SOVETSKAYA ROSSIYA in Russian 24 Jul 93 p 2

[Remarks by Russian Supreme Soviet Chairman Ruslan Khasbulatov at 22 July Moscow meeting with cultural, education, scientific, and health care workers: "Ruslan Khasbulatov: Danger of Antidemocracy"]

[Text] A meeting-cum-debate between the chairman of the Russian Federation Supreme Soviet and creative workers in the fields of culture, education, science, and health care was held last Thursday [22 July] in the parliamentary center on Tsvetnoy Boulevard. The discussion was frank and keen. Ruslan Imranovich was able to speak out with the utmost clarity by joining in the argument and answering numerous pointed questions...

On Saving Production

You are aware that a "roundtable" was organized in accordance with the decisions of the December Congress.

Its organizers were the Supreme Soviet and the government. Our major scientists, specialists, entrepreneurs, the directors of major state enterprises, various sociopolitical parties, and trade unions took part in the sessions. We elaborated quite a good document—a Declaration on the Economic Reform. At the end of the month we are planning to hold a very important all-Russia economic conference. And to flesh out this declaration...

The most important thing so far as we are concerned is to preserve production. If production perishes no financial and credit levers will save us. In themselves credits produce nothing. The most important thing is not to allow production to perish. Large-scale machination is going on here. Last year, you know, production fell by 39 percent, and this year the decline is already 20 percent. That is, the economy is now in a life-and-death condition. So we proposed, in particular I proposed, halving taxes on commodity producers in order to provide an opportunity to develop and invest, an opportunity to somehow maintain scientific studies. Unfortunately so far we have not been able to adopt this draft law because of the government's resistance, but I think that nevertheless in the fall we will adopt a draft law revitalizing commodity producers.

About the Uncontrolled "Chubays Government"

Yesterday the Supreme Soviet adopted a decree. What does this decree say? That the responsibility for the management of property belongs not merely to the Goskomimushchestvo [State Committee for the Management of State Property] but to the Russian Federation Government. I will tell you frankly that Prime Minister Chernomyrdin complained to me, saying: You criticize the government, but you know that in accordance with your own decree, you, the Supreme Soviet, removed Chubays' committee from government control and this Goskomimushchestvo has apparently become a government within the government and is not subordinate to the prime minister. Tell me, is this a proper situation? So nothing terrible has happened to make some people there create a fuss... Except for the couple of dozen American experts working for Chubays—they probably are worried. But there is no reason for society to worry in this connection. These questions should be regulated by the government. That is the issue. And at the same time instructions have been given to regulate the corresponding relations with the regions. After all, the reforms are not being implemented here in the Kremlin... The decree issues instructions to carry out the appropriate regulation, and also to conclude labor contracts with the leaders of enterprises, organizations, and institutions. To say that some people are going to lose their vouchers or that the people are going to lose out is empty propaganda. ...Because the Goskomimushchestvo and the government have in practice deceived people with these vouchers does not mean that legislators should duck the issue. We will naturally elaborate an appropriate decision and reinforce it with specific measures [razrabotka] to ensure that despite everything people in general get some kind of benefit from their checks.

About the Pernicious Foreign Policy

There are voices saying: When is Russia at last going to have a national foreign policy, why is Kozyrev still in charge of the Foreign Ministry?.. We will have a national foreign policy when we really answer the question: Where is Russia heading...

Russian foreign policy is practically integrated into NATO strategy thanks to the activity of the foreign minister—either deliberately or out of ignorance. This man has caused colossal harm to us. We are viewed not simply as a second-class power but as a fifth-rate, sixth-rate country and so forth... Parliament makes decisions and, say, the Foreign Ministry representative in the United Nations adopts the opposite stance. On the Yugoslav crisis parliament has one, rather well considered position, and the ministry and its functionaries adopt the opposite position without consulting the legislators. Whatever you take, you see that the executive branch has some autonomous cells acting regardless of the will of the head of government, sometimes even without the knowledge of the president, and with total disregard for the Russian parliament, which under the law and the constitution bears no less responsibility than the president. Or at any rate a hundred times more than any minister. Of course, a general question arises in this connection—about the standard of the leadership of the country—and it too has arisen before.

About the Reincarnation of the "Democrats"

A question has been asked: "Our academic bosses of legal science—Alekseyev, Kudryavtsev, Sobchak—and others in their wake go on about the concept of the 'rule-of-law state.' Can any state at all—whether fascist, monarchic, or republican—be otherwise? Don't you think the term 'rule-of-law state' is absurd and juridically illiterate?" Well, I don't think so, especially as it was borrowed in the sixties from German jurists. In general, in principle, any regime is rule-of-law in nature. After all, the repressions in the thirties were carried out on the basis of a specific normative act. Not so? Even those notorious "troikas" [three-member special tribunals] existed not merely on the basis of oral instructions. But nowadays a great deal is done on the basis of oral instructions... So we say that there is a process of abandoning real democracy. And obliging people are immediately found to carry out orders. However, our laws proclaim the thesis that no one is entitled to fulfill illegal edicts and illegal orders, even military orders.

Just look: Those who demanded democracy most insistently, what are they doing now? Now they are demanding camps and stadiums. A famous writer of ours, you will remember, appealed to the president: What are we going to do, we haven't many stadiums, where can we herd these people?.. This is the so-called democrats reincarnated as antidemocrats, creating a highly dangerous radical movement by virtue of their inappropriate use of official powers—and that represents a very serious danger to the state and to the country's integrity.

Just look, even the Constitutional Conference which was dreamed up, and which led ultimately to an extremely

serious outbreak of regionalism—it may well have been pursuing precisely these objectives. You remember, back in the late eighties, it was the representatives of this democratic wave who expressed the idea that Russia should be split up into 50 or 60 parts, whereupon, so they said, voluntary unification would take place. An artificial scenario, because nobody is going to permit voluntary reunification, the so-called "world community"—pardon the expression—will not permit it. Nowadays a single superpower holds total sway in the world. Just you try splitting up, tearing yourselves to shreds. If anyone thinks it will be possible to reunite on a voluntary basis—no way. Thousands of methods will be found. For instance, radiation leaks, etc. A pretext will always be found for "protection for Russia's own good," and the Blue Helmets will arrive first in order to protect these facilities, and then to establish borders, and so forth.

It is just the same with questions of technology and science. Some people think appropriations should be squeezed a little just now, and then in four or five years' time we will arise from the ashes and will be able to catch up with technology, science, and so forth. No. If we fall behind now, it is forever. We will never again secure our place in these technologies, which are already under threat in our country. Anyone can see, in any major department, where the decisions are made, the place is—pardon the expression—crawling with Western specialists. I don't know specifically whose ideas, say, the foreign minister draws on, or whose ideas Chubays draws on in implementing his privatization programs, but I know very well that it is not Russian citizens' ideas.

Therefore, of course, it has been said quite rightly that it is not enough to proclaim a "rule-of-law state," it still might be far from a democratic state and the ruling regime might be far from legitimate.

About the Soviets and Their Persecutors

There seems to be a persistent desire to get rid of any unfamiliar institution that suddenly starts acquiring prestige. Such as real democracy. Such as the Soviets, which, now that the party committees have ceased to oversee them, have on the whole begun to develop as they should. This is people's power. Soviets always existed, over many centuries, in Rus [Russia]. You remember how Lenin says that the Soviets are not the invention of the Bolsheviks. People say to me: There was the zemstvo [prerevolutionary rural council]. But the zemstvo—those were rural Soviets [zemskiye sovety], they were Soviets too. The president has a Soviet too—the Presidential Soviet [Council]... But suppose you don't like the word "Soviet"?... Fine, then let's excise the word "sovetovatsya" ["to consult"] from the Russian language... I propose to certain Soviet-haters: Fine, instead of Soviets, let's have communes. Like it? No, they don't like it... What's the problem? The fact is that the ideas of parliamentarianism are beginning to emerge very powerfully, or in other words the traditional Russian ideas of collectivity [sobornost]. This means self-management, self-organization by the population, control by society, control by the people over the executive power.

...At what point did the Supreme Soviet become a nuisance? I can tell you at what stage this happened—it was the Sixth Congress, just over a year ago. It is since that point, when parliament, so to speak, found itself, recognized its responsibility...

About the Electronic Media

The problem of moral principles [dukhovnost] is a matter of conscience, and propaganda—openly imposing, in fact violently imposing, a counterculture—provokes people's unconditional and self-evident objections. I ask your forgiveness, but it seems to me that this was perhaps most clearly illustrated in literally a single episode. The other day you probably saw an item on television with a monkey interviewing the former president of the former Union. This episode, it seems to me, was a very clear manifestation of not only permissiveness and laxity, but of absolute cynicism, the absence of any kind of moral principle, the absence of all sense of moral responsibility to society, not to the individual, but to society. And of course, in this context, alongside the problem of moral principle and inextricably linked with it, the problem of the responsibility of the electronic mass information media should be raised, and raised quite forcefully.

Society should raise this question, and when parliament takes timid steps in this direction, you know what reaction it provokes, and it seems to me that here, unfortunately, the legislators show pusillanimity. We are no longer entitled to tolerate this state of affairs in the electronic media, we do not have that right. The electronic media must be put at the service of the people... Not of the legislator, or of the president, or of the government, or of any specific individual, but at the service of the people! Their intellectual insignificance, their intellectual poverty, is so marked that the western mass media... openly mock them... Many people think that they are actually managed by their leaders—Poptsov or Bragin. Nothing of the kind, they do not manage anything, the state television stations have in effect ceased to be managed at all, but have become simply an instrument for the maneuverings of editors at various levels, linked by a thousand informal threads to those who have the big money. Of course, this situation simply cannot be tolerated any more, and we will not tolerate it. But this is perhaps a practical aspect, compared with the more important questions.

Deputies Blame Defense Committee for Weakening Army

LD2207191693 Moscow Russian Television Network in Russian 1600 GMT 22 Jul 93

[From the "Vesti" newscast]

[Text] Today we received a statement by representatives of factions in the Supreme Soviet. Among those who signed it are Baburin [Russia faction], Benov [Fatherland faction], Chesnokov, Astafyev [National Salvation Front], and Urazhtsev [Shield faction].

The statement was made with regard to the activities of the Committee on Defense and Security Issues. The aforementioned deputies are concerned with the catastrophic condition of Russia's defense capability and see in it the loss of control over Russia's military and strategic space.

The deputies name the culprit as Sergey Stepashin, chairman of the Supreme Soviet committee. He is accused of being responsible for the absence of a defense doctrine in Russia, the unrestricted reduction in numbers in the Army, and also for the Defense Ministry aiding corruption and the demoralization of the Army. Our correspondent visited Sergey Stepashin today.

[Begin Stepashin recording] Our committee, which works on defense and security problems, faces a huge number of problems today. Unfortunately, against this background. instead of working on concrete matters, it is necessary to receive and somehow react to the statement which yesterday was circulated in the Supreme Soviet and which was signed by the leaders of five factions. The statement in its form, nature, layout, and content recalls the worse kinds of libels from 1937. I am forced to turn to the Russian Federation Procuracy to carry out an investigation into these matters. I spoke to the procurator general today and he took our statement to examine it and to make appropriate decisions. [end recording]

Parliament Closes Sixth Session 23 Jul

Orders Ministry Investigation

LD2307133893 Moscow Radio Rossii Network in Russian 1000 GMT 23 Jul 93

[Excerpts] [Announcer] I cannot say that the Supreme Soviet ended its work on an optimistic note today. A number of the decisions it adopted will most certainly cause an emotional, political, or other response in society. Our correspondent Vyacheslav Osipov is at the microphone.

[Osipov] [passage omitted] The lawmakers, who have not for a long time felt any particular sympathy for Finance Minister Boris Fedorov, went through an examination of his department. Veniamin Sokolov, chairman of the Soviet of the Republics, said sums amounting to billions which have been transferred to the account of the Ministry of Finance from the Central Bank have not been used for the designated purpose and are gradually being transferred to commercial banks. The resolution adopted orders the Security and Internal Affairs Ministries and the public prosecutor's office to look at the way credits have been used, including those that go through the financial corporation which exists under the wing of the Ministry of Finance. Voting on these questions was reminiscent of the good old stagnation period—all for, no one against. [passage omitted]

Sends Bill for Amendment

LD2307134793 Moscow Programma Radio Odin Network in Russian 1100 GMT 23 Jul 93

[Text] Today the Russian parliament adopted a decision to send a bill on a mechanism for the implementation of the Federation Treaty to the president, government, parliamentary committees and commissions, and also to subjects of the federation. The document is being sent for consideration and for amendments to be introduced into it. Parliamentarians are planning to discuss the bill incorporating proposals and criticism as early as September.

Calls For Cleanup of Tomsk-7

LD2307211693 Moscow ITAR-TASS World Service in Russian 1135 GMT 23 Jul 93

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[Text] Moscow, 23 Jul—Measures to eliminate the aftermath of the accident at the Siberian chemical combine should be included among the programs to eliminate the consequences of the catastrophe at the Chernobyl atomic power station, the nuclear discharge in Chelyabinsk Oblast, the effect of nuclear tests in Semipalatinsk, and other radioactive contamination, says a resolution adopted today by the Russian Federation parliament.

At the radio-chemical plant of the Siberian combine (Tomsk-7), some equipment failed on 6 April when a uranium solution was being prepared, and a "limited volume of a mixture of steam and gas" exploded, discharging radioactive materials into the environment.

The government has been instructed to consider the question of making additional allocations to Tomsk Oblast's budget from the federal budget for priority measures to eliminate the aftermath of the accident at the combine, secure the health of its personnel and the oblast's population, and ensure the safety of the environment.

The resolution envisages the holding by the end of the year of an integrated ecological expert examination of radiochemical technologies at enterprises belonging to Russia's Atomic Energy Ministry. Its results will be presented to parliament. The resolution notes the need to draw up a state program entitled "Safety of the Russian Federation's Atomic Power Engineering and Industry."

Khasbulatov on UN Statement

LD2307140493 Moscow Mayak Radio Network in Russian 1217 GMT 23 Jul 93

[Excerpts] Today was the last day in the work of the sixth session of the Russian Supreme Soviet. This morning we already reported to our radio listeners that the Supreme Soviet has given its consent for representatives of Prosecutor General Stepankov to institute criminal proceedings over some documents signed by Vladimir Shumeyko. [passage omitted]

Ruslan Khasbulatov made the concluding speech at the session. He stressed that Russia's prestige in the world is swiftly declining at present and called the recent statement by the UN Security Council interference in Russia's internal affairs, which is becoming the norm, in Khasbulatov's opinion.

Khasbulatov also noted the behind the scenes activities of some deputies, including his deputies. In particular he mentioned Nikolay Ryabov. In Khasbulatov's opinion, Ryabov is violating the Constitution, and Khasbulatov reminded the deputies that many of them will lay claim to being reelected, although he is doubtful that the present deputy corps will finish working on the constitution within the deadlines that have been set.

In Khasbulatov's view, the parliament has shown itself to be a body which is gaining authority. He called the course pursued by the executive authority libertarian. He believes that stringent censorship has been introduced by the executive power in the electronic mass media, first and foremost on television.

Khasbulatov called all the talk about 300 to 400 apartments being transferred to the ownership of deputies shameless, taking into account parliament's great service to Muscovites, to use his words.

Khasbulatov on Deterioration of Economy

LD2307143993 Moscow ITAR-TASS in English 1405 GMT 23 Jul 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow July 23 TASS—Russian Parliament Speaker Ruslan Khasbulatov told lawmakers on Friday [23 July] that the economic situation in the country has deteriorated compared to last December when Viktor Chernomyrdin replaced Yegor Gaydar as prime minister.

He blasted the executive authority for failure "to adopt state decisions to ensure national security of Russia and its allies" and to boost production.

The speaker said that the political situation in the country has sharply weakened Russian international positions. In economy only instruument of achieving the set targets is to boost production. "But we are acting in the opposite direction, single producers, neutralise competition", he added warning that the country may soon lose high-tech industries.

Khasbulatov sees a way out of the crisis in the round-table discussion organised by the parliament and the government which adopted a resolution of national accord on economic reform. This is "an important step towards unification of political forces".

The speaker urged to pay more attention to economic problems which, according to him, can be solved also through the constitutional reform. He admitted that lawmakers failed to work out the laws on elections of the president and the parliament and said that without the laws it is "senseless to speak about elections".

Summing up the results of the parliamentary session which closed on Friday, he said that 98 laws were adopted and 147 resolutions passed. He criticised his deputy Nikolay Ryabov and other opponents for "backstage activities detrimental to the legislative authority".

Discusses 'Crisis' in Country

LD2307160093 Moscow ITAR-TASS in English 1545 GMT 23 Jul 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow July 23 TASS—The Russian parliament called on all state bodies, political and public movements to "replace confrontation by a constructive dialogue", but indirectly accused the government of aggravating the crisis in the country.

It said in a political declaration on Friday [23 July] which crowned the end of its sixth session that the difficult situation in the country is "a result of unskillful managing" of economic reform, of "ignoring Russian specifics" and the needs of the people, "lack of the necessary coordination".

However, the parliament admitted that it also bears its share of responsibility for the situation.

A way out of the crisis, according to legislators, lies in the all-Russian economic conference which is to be held in the near future and will be attended by lawmakers, ministers and representatives of the Russian regions.

"Major efforts should be exerted to take the country out of the deep economic crisis", the parliament said, listing among other important objectives a strong state power, division of authorities and the strengthening of the legislative authority.

Khasbulatov Summarizes Sixth Session

LD2307155393 Moscow ITAR-TASS World Service in Russian 1420 GMT 23 Jul 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 23 Jul—"It is a matter of a continuous political drama lasting throughout the year." This is how Ruslan Khasbulatov, chairman of the Supreme Soviet of the Russian Federation, has described the general situation. He delivered a report in parliament today on the results of the work of his sixth session of parliament.

"The good intentions voiced in December 1992 in the decisions of the Congress of People's Deputies on a cessation of political confrontation in 1993 and the focusing of society's strength on the problems of the economy have not come true," the head of parliament said. In his view, in such a situation it is inevitable that there will be a drop in

the authority of federal power, a sharp increase in legal nihilism, and a weakening of the defense function of the state and an attack on it by criminal elements.

Ruslan Khasbulatov believes that the current political situation has led to a sharp weakening in the country's international positions. He sharply criticized the executive authorities, who, he said, "were incapable of making state decisions to ensure the national security of the Russian Federation and its allies."

Concerning the economic situation in the country, the parliamentary speaker stated that "by the middle of this year, it had become even more complicated than by the end of 1992." He said: "In our economy of shortages, the main way of achieving the stated aims is to encourage production, but we are acting in the opposite direction; we are stifling those who produce goods and neutralizing the formation of the mechanisms of competition." The country is virtually being threatened with the disappearance of industries employing advanced technology, Ruslan Khasbulatov stated.

The Supreme Soviet chairman sees a solution to the crisis situation in which the country finds itself in increased attention to economic problems. "Only an improvement of the economy will make it possible to resolve all the other issues, including constitutional reforms," he said. In his view, premises for understanding the problem in this way have been laid down in the declaration of national accord on economic reform drawn up by the "roundtable" attended by representatives of the parliament, the government, trade unions, and public associations, and scientists. The forthcoming economic conference can be regarded, in his words, "as an important step to unite political forces."

Speaking of the specific results of the sixth session of the Supreme Soviet, the speaker said that over 590 questions had been examined and that 98 laws and 147 normative decisions had been adopted. These had been predominantly documents aimed at resolving social and economic issues and ensuring constitutional development and the implementation of legal reform. Considerable attention had been given to foreign policy.

The speaker believes that the parliamentary commissions and committees paid little attention to carrying out checking activity which could be used "not to the detriment but to the benefit of and together with the government." The speaker acknowledged that a whole range of constitutional laws had not been drawn up, including the law on the reelection of the president and deputies. In his opinion, until these are adopted "there is no sense in talking about reelections."

Khasbulatov Addresses Council Chiefs 25 Jul

LD2507143693 Moscow ITAR-TASS in English 1404 GMT 25 Jul 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow July 25 TASS—If the inflation spiral and industrial decline go on, the Russian parliament will have to reconsider in autumn some indexes of the budget, parliamentary speaker Ruslan Khasbulatov said on Sunday [25 July], opening a conference- seminar of chiefs of councils of various levels.

Remarking on the inordinately inflated deficit of the federal budget, 22,000 billion roubles, Khasbulatov urged the government to look for new sources of replenishing the government treasury. He noted that "by the Gaydar administration's decision, dozens of various organisations, against the law, were exempt from paying taxes, also from making reductions from their hard currency earnings". Therefore, the Ministry of Finance and other agencies should "look into acts and decrees under which almost a quarter of a possible increment of revenues has been blocked by unjustified privileges".

Khasbulatov believes that the parliamentary decisions on privatisation are "misconstrued". He said that "the parliament raised more than once with the head of the government the question whether the government controls the privatisation process", and received the following answer: "It is for you to control it, since you have withdrawn the State Property Committee from direct subordination to the government". We have dealt with this matter, Khasbulatov said. "As regards privatisation cheques, we are concerned more than anybody else that they should not be wasted".

Khasbulatov said that "despite a difficult situation, the parliament, public circles and business people think that there is the need to find positive solutions and positive development to the sitution as a whole". He expressed the hope that the forthcoming economic conference works out decisions that will help overcome the crisis of the country.

Regarding the development of the constitutional process, the speaker said that it should be carried out in a usual regime. "We have the deadline for holding a congress to adopt the constitution, November 17, and we hope that an acceptable draft new constitution will be formulated". The speaker said that "councils are representative organs of power and there is no sense in trying to replace them with something else".

Chiefs Discuss Draft Constitution

LD2507180093 Moscow ITAR-TASS in English 1746 GMT 25 Jul 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow July 25 TASS—Following the draft new fundamental law of Russia worked out by the constitutional conference, the draft of the Constitutional Commission signed by parliamentary speaker Ruslan Khasbulatov will be referred to republican, territorial and regional councils. Yuriy Voronin, first deputy Russian parliamentary speaker, announced this today to a conference of

chiefs of councils of various levels held in Moscow. "We shall do this on Tuesday or Wednesday", he said.

Representatives of local councils criticised the parliament for passivity and lagging behind in the constitutional process. Some chiefs of councils said outright that it was wrong for the Russian parliament to refuse to participate in the constitutional conference. At the same time, participants in the meeting expressed an unambiguous opinion regarding the draft fundamental law worked out by the constitutional conference. Chiefs of councils believe that provisions perpetuating inequality of subjects of the federation had not been removed from the draft.

Regional Affairs

Yeltsin Sends Telegram to Stavropol Leader

LD2507131693 Moscow ITAR-TASS World Service in Russian 0835 GMT 25 Jul 93

[By ITAR-TASS correspondent Nikolay Styazhkin]

[Text] Stavropol, 25 Jul—Yevgeniy Kuznetsov, head of administration in Stavropol, has received a telegram from the Russian president. "I rely on your vigorous measures in organizing work on the new constitution. I am sure you share our common, serious concern over the condition of Russian statehood," the message says.

"I am convinced," it goes on, "that the discussion of the draft constitution which you have been sent will be guided by responsibility, realism, and wisdom, by the results of the expression of the people's will in the April referendum, and by the interests of the peoples of Russia and every Russian inhabitant, of all the subjects of the Federation and the Russian Federation as a whole."

ITAR-TASS has learned that a kray assembly of people's deputies of all levels will be held in Stavropol on 31 July, at which the people of Stavropol will express their attitude toward the draft which has been submitted for discussion.

Yeltsin Congratulates Pskov on Anniversary

LD2407195293 Moscow Radio Rossii Network in Russian 1900 GMT 24 Jul 93

[Text] Boris Yeltsin has congratulated the inhabitants of Pskov on the 1,090th anniversary of the city's first mention in chronicles. The congratulatory message notes that the Pskov region is dear to the heart of every patriot who loves the fatherland. Russian culture and statehood were born there, and Pskov's contribution to the strengthening of our status as a power is great. With all his heart, the president wished the city of Pskov eternal youth, the Pskov region prosperity and the people of Pskov happiness and well-being.

Report on Chernomyrdin's Activities in Pskov

LD2407102493 Moscow Mayak Radio Network in Russian 0830 GMT 24 Jul 93

[From the "Panorama" newscast]

[Text] [Announcer Andrey Nikiforov] We begin our newscast with a live telephone call from Pskov where our special correspondent Valeriy Kiosa is accompanying Russian Prime Minister Viktor Chernomyrdin on his tour of the town. Over to you Valera.

[Kiosa] Good day! I understand of course that question No. 1 for many of our listeners is the announcement on Russian bank notes.

[Nikiforov] Well, of course, I suppose that Viktor Chernomyrdin was attacked with questions in Pskov?

[Kiosa] For the time being it has not been possible to attack him. Let me explain why. I hope that in my second report this afternoon I will perhaps be telling you something in this connection, but the point is that this tour of the Russian prime minister, or more correctly, its business part, is connected first of all with preparations for the Russian Government session that will discuss the country's socioeconomic situation. This same question will become the main one at the meeting scheduled here in Pskov this afternoon between Viktor Chernomyrdin and heads of the Russian oblasts of the northwestern region. That is why, I suppose, that this afternoon there is bound to be a question about the decision of the government and the Central Bank.

This morning, immediately after he had arrived in Pskov by plane, the prime minister set off to Pechorskiy rayon on the Russian border. The command of the border troops told him that in the course of only half a year contraband worth R [rubles] 1.5 billion had been detained on the northwestern border. Today we saw at the control point Kamaz and MAZ trucks with Russian, Estonian, and Latvian number plates, crammed full of Russian precious metals. Briefly, the border is working, but as the command of the border troops said: The frontier guards and the customs clearly lack sufficient technical back-up, and the problem of housing and financing remains acute as before. This is what was discussed today on the border.

On his way back to Pskov, Viktor Chernomyrdin visited the Pskov-Pechorskiy monastery.

It is necessary to note one more thing: At the present time, Pskov is celebrating the 1090th anniversary of the first mention of this town in Russian chronicles. Now, as I am filing this report, the Russian prime minister is attending a festive prayer on the territory of the Pskov Kremlin.

One more festive event this afternoon will be the unveiling of a monument to Russian fighters and Grand Prince Aleksandr Nevskiy. After that, as I have already said, approximately at 1615 hours a meeting will start with the leaders of the oblasts of the northwestern region.

Chernomyrdin Views Regional Problems

LD2407162293 Moscow ITAR-TASS in English 1603 GMT 24 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Pskov July 24 TASS—None of the regions of Russia will be able to survive alone. The strength of our country is in its unity, Russian Prime Minister Viktor Chernomyrdin said today, speaking at a meeting with representatives of the north-western regions of Russia. They discussed the acute problems dealing with the working out of a new constitution of Russia.

"During the past 70 years we were developing in such a way that now there is not a single region, district or republc in Russia which could survive alone, first of all from the economic point of view. Take the Sverdlovsk region, for example, which possesses enormous resources. It will not be able to survive alone ... To take a wrong view of this problem means just to waste time," the Russian prime minister said.

He spoke in favour of the adoption of a new constitution as soon as possible. According to Chernomyrdin, the draft constitution drawn up by the constitutional conference "combines the strong points of all that was worked out by specialists."

Rutskoy Arrives in Vladivostok, Comments

LD2307184093 Moscow Russian Television Network in Russian 1600 GMT 23 Jul 93

[By correspondent A. Abonosimova from Vladivostok; from the "Vesti" newscast]

[Text] [Announcer] Although the law on elections has not yet been passed, some politicians have already started their election campaigns—although not everyone agrees.

[Abonosimova] Aleksandr Rutskoy, vice president of the Russian Federation, arrived in Vladivostok today on a regular flight from Komsomolsk-na-Amure. Asked to comment on the decision by Novosibirsk residents to defend their honor and dignity in court following a public speech he had made, the vice president had this to say:

[Begin Rutskoy recording] Oh, dear me! Look, these people are insane. They are simply insane. How can you take offense at someone who is insane? [end recording]

He said his tour of the Far East is not a start of an election campaign, but a study of the economic situation as well as the political situation in Russia. At a meeting with representatives of the kray's legislature and executive, Aleksandr Rutskoy proposed two alternative ways out of the crisis. The first is to change the president's entourage, to revitalize the government, and to stop the destruction of the soviets network both in the center and in the provinces. According to the vice president, this course is painless, but hardly likely to be taken.

[Begin Rutskoy recording] Simultaneous new elections both for parliament and for the presidency, followed by forming a government of popular accord. [end recording]

Nor is Aleksandr Rutskoy satisfied with the dates for new elections, set for next spring. Here he employed a metaphor about someone sinking into a quagmire, so it is hard to say for certain what he had in mind when proposing to use strong arm methods to get out of the situation.

Continues Visit to Maritime Kray

LD2407094293 Moscow Mayak Radio Network in Russian 0900 GMT 24 Jul 93

[Text] Russian Vice President Aleksandr Rutskoy is continuing his trip in the Maritime region. Today in the town of Arsenyev he met with workers, engineers, and technicians of the "Progress" joint-stock company. He acquainted himself with the organization of aviation production.

Participates in Navy Day Festivities

LD2507093493 Moscow ITAR-TASS in English 0715 GMT 25 Jul 93

[By ITAR-TASS correspondent Yuriy Grachev]

[Text] Vladivostok July 25 TASS—"It was worth covering the great distance between Moscow and the Far East even for the sole pleasure of attending this wonderful holiday," said with fascination Russian Vice-President Aleksandr Rutskoy on Sunday [25 July], viewing spectacular military and sports events in Amur Bay, which were staged in honour of Navy Day.

The vice-president came to Vladivostok on the last stage of his trip to the Far East. Touring the Pacific coast of Russia, Rutskoy visited, during the past week, major munitions factories, army units, border guard posts and met representatives from local administrations, political parties and mass movements.

Rutskoy, accompanied by Pacific Fleet Commander Georgiy Gurynov and head of the territorial administration Yevgeniy Nazdratenko, inspected the formation of sailors and then went to the roadstead by a speedboat, where he viewed the fleet's war games.

The vice-president departs from Vladivostok for Moscow later in the day.

Chechnya, Ingushetia To Live Without Borders

LD2307172993 Moscow ITAR-TASS in English 1710 GMT 23 Jul 93

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy July 23 TASS—Two Russian republics in the Caucasus, Chechnya and Ingushetia, which used to be united in a single entity in Soviet years, agreed to refrain from dividing themselves with state borders as the move could have triggered territorial claims.

Presidents Dzhokhar Dudayev and Ruslan Aushev signed a corresponding agreement on Friday [23 July].

The border issue arose after Chechnya proclaimed independence and split from the former Checheno-Ingushetian Republic.

The presidents also pledged to refrain from allowing a third party to participate in talks on their territorial division, a clear reference to federal authorities in Moscow.

Ingushetia has yet to solve a border dispute with another neighbour-North Ossetia with which it clashed over territorial claims.

Relations With Russia 'Main Issue' in Groznyy

LD2407203593 Moscow ITAR-TASS World Service in Russian 1119 GMT 24 Jul 93

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy, 24 Jul—The problem of Russian-Chechen relations remains the main issue in Groznyy. Speaking last night on local TV, Zelimkhan Yandarbiyev, acting vice president of the Chechen Republic, accused the Russian leadership of attempts to use "the Chechen card" in the political struggle between the legislative and executive authorities.

These claims have been strongly denied by Yaragi Mamodayev, head of the government of national confidence of Chechnya, which is unrecognized by Dzhokhar Dudayev. Mamodayev returned from Moscow to Groznyy a few days ago.

In a press statement handed today to the ITAR-TASS office in Groznyy, Yaragi Mamodayev asserts that it is the current illegitimate executive authority in Groznyy which is to blame for preserving the political tension between Russia and Chechnya. Referring to the fruitfulness of his talks in Moscow, as a result of which a joint communique was prepared on resuming the disrupted talks process between Russia and Chechnya, Yaragi Mamodayev stated that Zelimkhan Yandarbiyev himself, who as a member of the Chechen parliament on several occasions headed expert groups at Russian-Chechen talks, was unable to establish contact with the Russian side and is now misleading his own people.

Be that as it may, the fact remains that Dzhokhar Dudayev, who was previously firmly opposed to any compromises with Russia, is now using foreign ministry structures to seek contacts with Moscow. But it now appears that Moscow is already reacting very coolly to this.

According to a report from a well-informed source in Groznyy, a few days ago Russian Vice Premier Sergey Shakhray declined a meeting with the Chechen vice premier.

International Affairs

Russian Statement on Nuclear Disarmament 'Groundless'

LD2407185093 Kiev UKRINFORM in Ukrainian 1528 GMT 24 Jul 93

[By UKRINFORM correspondent]

[Text] Kiev, 24 Jul—The press center of the Ministry of Foreign Affairs of Ukraine today circulated a report saying that ITAR-TASS used its channels to distribute a statement by the Ministry of Foreign Affairs of the Russian Federation that can be assessed as an attempt to shift the responsibility for hampering the process of nuclear disarmament on Ukraine.

The press center of the Ministry of Foreign Affairs of Ukraine declares that the suspicions and certain premature conclusions contained in the statement by the Ministry of Foreign Affairs of Russia are groundless.

Ukraine confirms its readiness to cooperate both with Russia and other states in a search for constructive approaches toward the solution of issues related to nuclear arms and national security.

Naval Commander Discusses Dividing Black Sea Fleet

AU2307135093 Kiev UKRAYINSKA HAZETA in Ukrainian 22 Jul-4 Aug 93 p 1

[Interview with Vice Admiral Borys Kozhyn, commander of Ukrainian Naval Forces, by Valeriy Zholdak, editor in chief of UKRAYINSKA HAZETA in Kiev; date not given: "Sevastopol Knows the Value of Provocations"]

[Text] On these "hot days," provoked by the Russian parliament, Vice Admiral Borys Kozhyn, commander of the Ukrainian Naval Forces, arrived on a flight from Sevastopol to Kiev. Editor in chief of UKRAYINSKA HAZETA had a conversation with him. The talk touched upon known events. We are offering our readers and Ukrainian and foreign politicians the commander's answers to several unusual and particularly topical questions.

[Zholdak] Mr. Vice Admiral, in anticipation of our meeting, I turned to foreign diplomats who work in Kiev—First Secretary of the U.S. Embassy in Ukraine John Stepanchuk and Military Attache of the French Embassy in Ukraine Mr. Albert Monar [name as transliterated] with a proposal: To ask, through me, one question that particularly interests them in connection with the "Russian Sevastopol" events, so that you, Mr. Vice Admiral, could provide first-hand response.

Mr. John Stepanchuk expressed a quite unusual, from my point of view, thought or question. His impression is that, notwithstanding the illegal decision by the Russian parliament regarding the status of Sevastopol and the tense atmosphere that has taken shape in both Russia and Ukraine and that is further exacerbated by [Russian] television, everything is quiet among the military in Sevastopol itself, and military order prevails there. Is this so?

[Kozhyn] The very fact that I have now been in Kiev for a whole day indicates that the situation in Sevastopol is quiet. To expand this thought, I must say the following. The Ukrainian Naval Forces, as an important structure of the Ukrainian Army, is resolving the tasks set to us by the Ukrainian president and minister of defense successfully and in a quiet manner. The new and up-to-date warship "Hetman Sahaydachnyy" has just arrived in our main base—Sevastopol—to conduct military service and to protect Ukraine, its territory, and its people. Today, our main task is to create the Ukrainian Black Sea Fleet. We are fulfilling this task with confidence. The political passions and ambitions that rage in Moscow and in other places, in Sevastopol resemble waves that break against granite rocks.

I must assert that residents of Sevastopol and of the Crimea show common sense in what concerns intrigues. Of course, there are individual agitators who create tension and are responsible for illegal actions. However, the overwhelming majority—both among the military and among the population—understand what is what.

Recently, I, as a member of the board of the Ukrainian presidential representative in Sevastopol, attended a joint meeting of the board and the City Executive Committee. Its participants, who are representatives of labor collectives, condemned the decision adopted by the parliament of the Russian Federation. They supported the efforts by the presidents of Ukraine and Russia aimed at achieving a peaceful settlement of the Crimean problem.

The sailors of the Black Sea Fleet also show calm. Therefore, Mr. John Stepanchuk's intuition has not failed him.

[Zholdak] However, Mr. Vice Admiral, St. Andrew's flags have been hoisted on many ships that have not yet been divided.

[Kozhyn] This savage process has been stopped at the fleet: There is one major decision—the agreement of 17 June 1993 between Ukraine and Russia that was signed in Moscow by Presidents Leonid Kravchuk and Boris Yeltsin, as well as the Yalta documents. In September 1993, a practical formation of Russia's Naval Fleet and of Ukraine's Naval Forces will start on the basis of dividing the Black Sea Fleet into two equal parts.

[Zholdak] The second question is from Mr. Albert Monar: What is the prevailing atmosphere in the relations between Russian and Ukrainian sailors?

[Kozhyn] On 13 July, at 1600, our giant beauty "Hetman Sahaydachnyy" arrived, under the blue-and-yellow flag, at Sevastopol's main moorage for permanent service. Next to it, at the moorage, there stood Black Sea ships with flags of the former Soviet Union. All sailors responded to this

event with calm and understanding. Those who earlier voiced protests begin to get used to it—here, Ukraine is the master.

[Zholdak] Are there many ships in the Black Sea that have raised our blue-and-yellow flags?

[Kozhyn] "Slavutych" is one, then there is "Hetman Sahaydachnyy," "SKR-112," and "Donets." Somewhat later, "Lutsk" will arrive and also a guided missile cruiser from Nikolayev.

[Zholdak] Mr. Vice President, now the main question from UKRAYINSKA HAZETA: In your opinion as commander, would it be possible to divide the Black Sea Fleet painlessly? Naturally, it is difficult to achieve justice here. If somebody tries to "grab" more, conflicts will start again.... What can you say?

[Kozhyn] This is a tremendous problem, and its resolution may take time. In my opinion, both sides need to get divorced in a sober, realistic, and friendly, if not brotherly manner, but also to keep together. We are neighbors. Distant shores will not defend us all. Where do I see the untangling of the Black Sea knot?

At our base, we have large cruisers, such as "Moskva," "Kerch," "Ochakov," "Bezukoriznennyy," and others. Between 12 and 15 ships altogether. In my opinion, it is necessary to create, on their basis, a mobile Russian squadron....

[Zholdak] Russian?

[Kozhyn] Wait a moment. This powerful squadron will become a nucleus of the Russian and Ukrainian fleet in the Black Sea and will resolve tasks in the waters of the World Ocean as far away as the Atlantic. There will be our support vessels attached to it. The complex will involve all of our infrastructure, in particular, sites of deployment of formations and units. Sevastopol, Izmail, Odessa, Ochakov, Kerch, and Feodosiya will become full-fledged Ukrainian ports. In accordance with the agreement, Ukraine, in addition to providing the squadron with a "roof," will also provide its rear services and combat support. Russia will pay considerable sums of money for all of this. In this way, we will stand guard jointly and to our mutual advantage at our borders.

[Zholdak] In this way, to give Russia the best we have?

[Kozhyn] There remain about 200 vessels for us.

[Zholdak] Vessels that will soon be eaten up by corrosion?

[Kozhyn] No, there are fine ships. Besides, Russia will not make claims upon the "age-old Russian ports." We, just like them, lose something, but also gain something. The result will be 50 percent for each. Here, we will also fulfill the Yalta agreement—the fleet must be both theirs and ours. There is another knot that will be untied—we will give the families of all the sailors a chance to live where fate has placed them. We will also resolve the third problem—we will simultaneously have our own statehood and its mutual protection.

[Zholdak] These are the thoughts expressed by Commander of Ukraine's Naval Forces Borys Kozhyn. He is Russian by nationality, but if one gets to know him better, spends more than one evening with him, and hears stories about him from those Ukrainians who fulfill the difficult and, sometimes, dangerous service together with him, one arrives at a conclusion that he is a true patriot of Ukraine.

Paper Claims Kiev Finances Most of Fleet's Costs

LD2307161893 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 22 Jul 93

[Text] Over the last year Ukraine's financed 86 percent of all the Black Sea Fleet's costs, while Russia paid for only 14 percent. Moreover, the financing was in rubles.

According to the newspaper NARODNA ARMIYA, by 1 July this year Ukraine had financed the Black Sea Fleet to the tune of 14 billion karbovantsi, while Russia allocated only 1 billion rubles. This year Russia has transferred another 6.2 billion rubles to pay servicemen of the fleet the exchange rate difference, but this was done for a definite political purpose. For the moment, there is no data on the amount of losses Russia has borne, and what funds it has transferred for July. But there is information that the Black Sea Fleet's financial service has asked the Ukrainian Defense Ministry to transfer to it another 20 billion karbovantsi in July.

Sevastopol City Soviet Views Russian Decree, Fleet's Future

PM2607105393 Moscow IZVESTIYA in Russian 24 Jul 93 First Edition p 2

[Report by Nikolay Semena: "Sevastopol City Soviet Displays Common Sense Approach"]

[Text] The 22 July session of the Sevastopol City Soviet analyzed the sociopolitical situation in the city and confirmed that despite the "attempt by certain circles in the city's public to take advantage of the bombastic Russian Federation Supreme Soviet decree 'On the Status of the City of Sevastopol' to create parallel power structures," Ukrainian laws are operating on the territory under the city soviet's jurisdiction.

The decision adopted by the session also declares that the creation of the so-called "people's soviet" contravenes Ukrainian and Russian legislation. The deputies demanded that the Ukrainian and Russian presidents and Supreme Soviets "adopt decisions on the city and on the Black Sea Fleet that will contribute to the further strengthening and development of fraternal friendship and cooperation between the peoples and states."

The session proposed that the presidents halt the formation of new military subunits on the territory of Sevastopol and it set up a deputies' standing commission on military

questions and decided to conduct a local opinion poll on the status of Sevastopol in conjunction with the all-Ukrainian referendum in September, although the deputies did not manage to formulate the question for the ballot paper.

I. Yermakov, the Ukrainian president's representative in the city, said that the "Russian's people's soviet" is the third power structure in the city after the official city soviet and the Crimean Tatars' assembly. There was no shortage of ideas at the session for overcoming the power crisis initiated by the Russian parliament.

It was also noted at the session that fighter planes have been flying low over the city, ships have been firing blanks, and columns of armor have been driving through the city as a means of psychologically influencing the citizens. Who would believe in an atmosphere of political and psychological discomfort that this is merely preparations for a "holiday"—the former USSR's Navy Day?

Even when he addressed the city soviet session, A. Kruglov did not depart from his usual style—he talked about forming "combat squads" and about being willing to "kill 10 occupiers for one patriot." Deputy A. Kasatkin's response to this was that, despite his pro-Russian orientation, he does not support Kruglov's aspirations, since they are a crude provocation.

To the Sevastopol deputies' credit, it has to be said that they had the common sense to cut out the extreme behavior and unrealistic and dangerous proposals.

But the session did not settle all the issues, simply because the main problems—the future of the Black Sea Fleet and the city's status—are matters over which the city soviet has no authority. The tension can only be relieved by responsible decisions by Russia and Ukraine, and the people of Sevastopol hope that they will no longer be either hostages or bargaining chips in this big politics.

Russian Deputies Visit Crimea for Navy Day

LD2307213993 Moscow ITAR-TASS World Service in Russian 2103 GMT 23 Jul 93

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow-Sevastopol, 23 Jul—Late on Friday evening a Russian Supreme Soviet delegation led by Yevgeniy Pudovkin, chairman of the Russian parliament's working commission on the status of Sevastopol, arrived in Crimea from Moscow. An ITAR-TASS correspondent was told at the commission that the delegation has flown to the Black Sea Fleet's main base at the invitation of several Crimean public and political organizations and movements, and of the Sevastopol authorities. The main purpose of the visit is to take part in celebrating Russian Navy Day. The delegation has no political aims.

Captain Fired for Allowing Deputies on Ship

LD2507193693 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 25 Jul 93

[Text] Black Sea Fleet Commander Eduard Baltin promptly reacted to the violation of regulation requirements by one of his subordinate commanders. Baltin fired the captain of the Yenisey hospital ship, which granted unauthorized temporary accommodation to Yevgeniy Pudovkin, head of the Sevastopol status working group of the Russian Federation Supreme Soviet, and several of his colleagues.

According to the Novyny radio and television agency, they came to this Ukrainian city on a private visit. However, the Russian parliamentarians could not resist the temptation of publicly declaring their support for the local separatists. Even so, they failed to push Sevastopol residents into rash actions. As for the guests, they were made to leave the ship and go ashore.

German Government Regrets Russian Decree

LD2407103993 Kiev Radio Ukraine World Service in Ukrainian 0700 GMT 24 Jul 93

[Text] The German Government perceives with regret the decision of the Russian Federation Supreme Soviet regarding the status of the town of Sevastopol. The German Government evaluates the claims on the territory of a neighboring state set forth in it as an open violation of the principles and obligations of the CSCE. The German Government is certain that respect for the territorial integrity of member states of this cooperation is a guarantee of stability on the continent.

Hungary Supports Kiev's Stance on Sevastopol

LD2407103593 Kiev Radio Ukraine World Service in Ukrainian 0700 GMT 24 Jul 93

[Text] The Hungarian Republic supports Ukraine's reaction regarding the Russian parliament's decision on the status of the town of Sevastopol. This is in a note from the Ministry of Foreign Affairs of that state addressed to the foreign political department of Ukraine. This note was handed over in Kiev on 23 July by (Lopan Toth), charge d'affaires of Hungary in Ukraine. In particular, the document emphasizes that the said actions of the Supreme Soviet of Russia do not contribute to the development of cooperation between peoples of two neighboring states.

Bulgaria Declares Neutrality Over Sevastopol

LD2407195793 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 24 Jul 93

[Text] Regarding itself as a friend of both Ukraine and Russia, Bulgaria will not side with either of them in resolving the Sevastopol issue. This was stressed by Bulgarian President Zhelyu Zhelev when interviewed by an UKRINFORM correspondent.

He emphasized that his country is interested in Ukraine and Russia resolving the above problem by way of negotiations and finding a sensible solution.

Unofficial Russian Reaction to Iranian Oil Plan

LD2407092493 Kiev UNIAN in Ukrainian 2000 GMT 23 Jul 93

[Text] Kiev [dateline as received]—A UNIAN correspondent learned from competent sources of the unofficial reaction of the Russian leadership to the plan to build a terminal in Odessa to receive Iranian oil. The Russian side has warned that if Ukraine is going to purchase oil in Iran for hard currency (there are no other variants), then Russian oil will also be sold only for hard currency and at world prices.

Roundtable To Discuss CIS Economic Treaty

LD2407145993 Kiev Radio Ukraine World Service in Ukrainian 0500 GMT 24 Jul 93

[Text] A roundtable of all parties and civic organizations that have declared a policy course for the independence of Ukraine will take place in Kiev on 29 July. This decision was adopted by the participants of an interparty conference, which took place at the initiative of the Ukrainian Republican Party and in which representatives of movements of national-democratic, liberal, and social-democratic tendencies took part. Participants of the conference agreed that the roundtable should discuss the possible consequences of the political, economic, legal, and social future of Ukraine following the conclusion of the economic treaty by CIS member countries. As is well known, the prime ministers of Ukraine, Russia, and Belarus are intending to do this in September. Invitations to take part in the roundtable have been sent to the president and the prime minister of Ukraine, and to the leaders of all registered parties, including ones of a communist orientation.

National Affairs

Kravchuk Discusses Regional Authority

LD2307180093 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 22 Jul 93

[Interview with President Leonid Kravchuk by "national television" journalist Ihor Storozhuk on 22 July; place not given—recorded]

[Text] [Storozhuk] Esteemed Leonid Makarovich, at a difficult time of state building, a period in which a new constitution is being prepared in Ukraine, one of the problems is the organization of local power. There are many arguments around this issue, among scientists, in the Supreme Council of Ukraine, among practical employees. We often hear diametrically opposed opinions. Some are in favor of strong local executive power, others are in favor of full authority for councils of people's deputies at the regional level. I would like to hear your analysis of the present state of the organization of local executive authority.

[Kravchuk] In (?a difficult) history, there has been a transition to our independent statehood, and issues have arisen about how to create authority, (?so that we can ascertain) what sort of authority it should be [words indistinct]. We searched for a resolution of this issue which would correspond to our interests and would take into account (?the specifics of the period). [words indistinct], one needs state administrations in the provinces which, guided by the principle of division of authority into legislative and executive authority, for example, [words indistinct].

Then the Supreme Council [words indistinct] a law on the presidential representatives in the provinces who set up the state administration. This law was adopted, determining the powers of the presidential administrations in the provinces and the (?representative authority). In this way power in the provinces (?was divided) into representative and into state power; that is, executive power, the correspondence, I stress again, (?between) our division of (?both forms of power).

It is clear that this is (?in fact a new situation). [Words indistinct] this is not by chance. Always when something new is (?put into practice), it [words indistinct].

But the debates are varied in nature. There are objective ones, (?naturally), when [word indistinct] central authority complains about local authority, because it implements laws and resolutions badly, whereas local authority complains about central authority because it adopts bad (?resolutions). In this way one can explain it, but when explaining this, one should first of all proceed from the fact that this authority is legal. It has been introduced by a law of Ukraine and by a resolution of the Supreme Council. Any debates, for example, that the authority is not as it should be, that it could be (?incapable of fulfilling) its powers, one could say this, but again [words indistinct].

Second, one should proceed from the fact that this power works realistically. I can say that there are grounds (?to say) that today, thanks to the fact that we have carried out such an action, not cutting from underneath [words indistinct], but thanks to the fact that we have done this and determined the powers by means of a law, this power works. It works especially well where representative and presidential forms of power interact; that is, the state administration and representative bodies.

Debate is normal. In the course of debate better (?viewpoints) will crystallize, but to expect that in one year—even in a year and four months—we can introduce an ideal form of authority in the provinces, that is unrealistic.

Incidentally, approximately a month ago I met with senators and congressmen from the United States. They told me that up to now Clinton's administration has not determined all [words indistinct]. This is a state that has a traditional form of government, tested by decades, and it

has not yet determined completely either the structures or forms of their interaction. We have begun anew and we want it to really produce immediate results, especially at such a difficult time of transition from one way of life to another.

[Storozhuk] The institution of Ukraine's presidential representatives has truly been working for over a year now, but not everything is unequivocal here either. It is said that they are working in the provinces unchecked, that certain representatives are systematically violating laws and abusing their official positions, while the president of Ukraine is supposedly not reacting to this. On the other hand, it is well known that there is some experience in the work of local state administrations in delaying legislation and in the socioeconomic development of relevant territories. What can you say on this matter, Leonid Makarovich?

[Kravchuk] Well, to say that I can ensure 100-percent control over the activities of presidential representatives is simply unrealistic. We have many oblasts, the city of Kiev, Sevastopol, and rayons. But to say that there are no checks, I cannot say that either. Only (?recently) our presidential territories service checked nine oblasts and (?130) rayons. This really was some check. The main issue was how they adhere to the Constitution and legislation. This was the first thing. The second was how instructions or government resolutions, presidential decrees, and laws and resolutions of the Supreme Council are being implemented.

There are checks. Just this past year four presidential representatives were dismissed for shortcomings. Many were either rebuked or reprimanded. Some expressed the wish themselves to leave this field of work, taking into account the complexities. There are checks, but there are abuses, too. There are naturally attempts to rule by old methods. This is here too.

But the president, our presidential structure, and the government now, in accordance with the changes which we have made, have direct management over presidential representatives and presidential administrations in the provinces. That is, the government—the prime minister—makes proposals on appointing and dismissing presidential representatives.

I said directly at a meeting with presidential representatives that the interaction of the prime minister, deputy prime ministers, and ministers, that these executive structures—one cannot divide here—saying that if he is a presidential representative, then the government has no relation to him. [sentence as heard] On the contrary, the government is executive power. The president is head of the executive power. (?This means that) we act together. We interact with the government, and in this way with presidential representatives in the provinces, so that there is not this division, with the government working without referring to local authority. We have already determined this clearly.

All of this has been noted in the clause on presidential representatives. We will continue to improve this system, we will exercise control, and we will insist that any decision adopted by the government, the president, or the Supreme Council is put into practice.

There are objective difficulties, but there are examples of good work too. For example, I (?could name) Kharkov state administration and presidential representative, the Vinnitsa (?representative). I could name the Zaporozhye and Dnepropetrovsk oblasts. There are very many oblasts where there is normal interaction between the state administrations and the councils of people's deputies, both at the oblast and at rayon levels.

Incidentally, the need for power—more executive power—to be concentrated in one pair of hands is shown by the—let us say—councils at a basic level. That is, in some oblasts, council sessions have handed over executive powers not to the executive committee but directly to the chairman of the council. So the chairman of the council personally answers to the session for the implementation of some instruction or another. Collective responsibility brings with it collective irresponsibility too; there is no one to answer for it. So when someone is personally responsible, one can then have a specific person. (?We would be able to do much.)

Incidentally, this was also one of the reasons why it was very difficult for executive power to go from collective discussion and the adoption of collective decisions—which are always decided [collectively], in as far as there are as many opinions as people—to personal responsibility. The presidential representative bears personal responsibility before the state, before the people, before his region, where he (?implements) the Constitution, laws, government resolutions, edicts, and decrees.

I repeat: The form is still (?being searched for). I do not want to say that this is already a final decision.

For example, we will propose in a draft of the new constitution that the head of executive power should be elected by the people. It will no longer be a presidential representative appointed by the president. He will be elected by the electorate of the region (?itself).

However, we are now thinking about mechanisms for the central power of the president so that the government will still have influence on that head of executive power, elected by the people. Otherwise we could end up back where we started from, when the authority (?elected in a given) region, taking into account our mentality, our (?own) structure, our whole situation, considers the best way out of a situation is to state that [words indistinct].

There should be mechanisms here for the interests of [word indistinct], for state power to combine with (?local) and regional power, for us to act (?together) so that there is responsibility.

We are thinking about it too. We are searching. So that it is understood, I would like to say here that this is not the end of it.

This is a search for a form of local power, its organization and its cooperation with central power, its influence on

politics and policy-making, a transfer of a certain part of plenary powers to the local level. It would transfer particularly those powers related to the economy, the social sphere, the budget and others, so that those at the local level will have more opportunities to mobilize and make use of resources, more rights to settle regional issues concerning, in particular, production processes and even issues associated with foreign economic activity, customs, and border matters.

All of this can be resolved on the basis of laws and legislation if the will is there.

[Storozhuk] It can often actually be heard in the mass media and in speeches by people's deputies at the Ukrainian Supreme Council session that there is no love lost between the presidential representatives and the local councils of people's deputies, and that the presidential representatives are attempting to take hold of as many plenary powers as possible, reserving the role of an offstage observer for the councils.

But I have visited various regions and heard entirely opposing opinions on that account too. Is this a case of the solution being in the middle?

[Kravchuk] First of all, I would like to make something a little bit more clear. Those speaking are (?either) deputies or, as a rule, council chairmen. They are deputies too. Expressing their own point of view, they often pass off that point of view as the council's position.

I would put it as follows: I cannot see any discord between state administration and councils [words indistinct]. There is discord between a council chairman and a presidential representative, that is true. Both the former and the latter are to blame. But the people who are speaking are the ones who have an opportunity to speak and who have a rostrum to speak from. So these council chairmen, i.e. deputies, are making use of the Supreme Council rostrum.

So, (?I would like to repeat), there is a position of the council chairman and there is a position of the council of people's deputies [words indistinct]. I have not had a single letter [word indistinct] in which a council of people's deputies would give a vote of no-confidence to a presidential representative (?in a region). In accordance with Article 8 of the law on presidential representatives, that can be done. Then I would have grounds, even additional grounds, for thinking about how (?to replace) such a representative. In some regions and districts, issues like that were even on the agenda, but no council passed them. It happened in one of the city of Kiev's districts, in Ivano-Frankovsk, and other regions.

In other words, I am saying that a chairman's position is not that of (?a council) itself, just as a presidential representative's position does not personify that of a body of state administration. That is to say, there are personal points of view and there are collective points of view adopted by bodies that can make that kind of decision on the basis of the law, settling it, however, on the basis of the law (?only).

I think that a certain mentality is at work here. Nobody wants someone in the way when they are trying to do the things they want to get done. It is no accident that I used this phrasing, because when one works in accordance with the law, no one is in the way. But when someone wants to do something like going around the law or making a decision which he has been really been itching to make, then everybody is of course in his way. It could be a presidential representative, even the president himself, or the government which is in the way. Such a person would just like nothing [word indistinct] doing what one likes.

Thus, there is a subjective element here. I would like to say that I have repeatedly stressed that should I reach the conclusion that a presidential representative violated the Constitution and laws or practices subjectiveness and abuse, he will be (?discharged from office). That is for sure.

However, I would also like to appeal to council chairmen and councils, noting that today, strictly speaking, we have nothing to divide. There is the economic (?crisis) [words indistinct]. There are political problems to be overcome by us together. There are other problems, such as those of personal social protection and those associated with this hard life of ours today [word indistinct]. (?More specifically), the crop has to be harvested and the winter has to be prepared for. [Words indistinct] you see, goods have to be procured, the people, energy, and energy sources have to be given thought to. All of it is common for us. So if efforts are concentrated on that, there will not be any grounds for (?sorting out) relations between ourselves, about who is the boss, to whom the power belongs, who has more power and who has less power, or how to split up the budget, rather than thinking about how to enlarge that budget. Everything will fall into place once everyone starts working together.

That is why I am appealing for understanding of the fact that at this difficult time, at this time of really tense economic and political life, a [words indistinct]. The supreme goal to be achieved for our people is preserving our state, preserving its economy, and progressing forward along the path of economic reforms. We have to take important steps now both in reform and privatization and in issues associated with stabilizing our monetary unit and improving the banking system, foreign economic activity, and investment processes. This has to be done, and there is not much time to put it off. Another exceptionally complex problem is preserving everything that has been done by the people, preserving property, and ensuring (?calm).

I came back from Ternopol Oblast yesterday. Whenever I met people in the streets, one thing would be said: Leonid Makarovich, do fight against enemies and thieves!

Both women and men would say the same phrase. I simply fixed it in my head—thieves and enemies. People cannot accept that everything that has been done could be plundered or that what has already been secured today—with the prestige our state is enjoying in the world—could be threatened in any way by our careless political or (?other) steps. The people are very afraid of it.

That was not only in Ternopol Oblast. I have recently visited Zaporozhye and Vinnitsa Oblasts. As you see, regions are different, but problems are about the same. Now the issue is not who lives in the east, who lives in the west, who lives in the north, or who lives in the south. The people have understood that the only main thing is to unite in settling severe problems. If this was understood by the leaders of parties and movements and by all those who have power today, we could do much more for the people and for the state.

I hope that the time has already come to turn from appeals to specific work. I do not think that some do not understand that. There are those who do not want to understand that. There are such people. There are those also who want to capitalize on the situation, because [words indistinct].

I think that [word indistinct] life is a wise teacher and it will help us all to have a deeper understanding of the situation and it will help everyone to do one's job with greater responsibility.

Future of Chernobyl AES Debated

WS2607074493 Kiev KHRESHCHATYK in Ukrainian 20 Jul 93 p 5

[Article by Mykola Khriyenko: "The Situation Around the Moratorium"]

[Text] After the explosion of the Chernobyl nuclear power plant [AES] reactor in April 1986, the cooling and reactivation of the three saved power units cost many thousand liquidators their health or life. Later, everything settled down. However, during the night of 11 October 1991, an electric generator exploded in the second power unit, and all the expensive equipment along with almost 1,000 square meters of the turbine house roof were completely burnt. Fortunately, it was not a radiation accident, and it did not cause radioactive contamination. However, the protests all over the world were so powerful that the Ukrainian Supreme Soviet decided to withdraw all active power units of the Chernobyl AES from operation by the end of 1993. (After the accident, the second power unit was out of operation.)

Today, under the complicated economic situation in Ukraine, specialists from the Chernobyl AES are persistently insisting that the Supreme Soviet deputies prematurely adopted this decision. The principal arguments are as follows:

The economic aspect: Since 1986, the Chernobyl AES has produced almost 100 kilowatt-hours of electric energy worth $4.64 billion in world market prices. Today, the two operating power units can produce up to 10.3 billion kilowatt-hours of electric energy of a total value of $515 million, and save 4 million tonnes of any organic fuel. Additionally, they can supply the industry with up to 30 tonnes of silicone with a total value of $1.2 million. Altogether, the Ukrainian economy has been losing up to $12 billion a year since the explosion (in 1984 prices).

The ecological aspect: Mykola Sorokin, general manager of the Chernobyl AES Incorporation, claims that the Chernobyl AES does not trail behind Russian nuclear power plants in failure prevention, but in many cases it is superior to them. Additionally, many specialists claim that after the closure of the Chernobyl AES, the ecological situation will not improve, but on the contrary, it will deteriorate, because in order to produce the needed amount of energy, it will be necessary to burn huge amounts of coal or mazout in newly-built thermal power stations.

What do the supporters of the cancellation of the moratorium on nuclear power engineering propose? The Chernobyl AES reactors can be used for the next 20 years, the first power unit can produce electric energy until 1997, and the third power unit until 2001. Additionally, the moratorium on installing new power units in other power plants should be canceled and the present power units of the Chernobyl AES should be gradually replaced by newer units. The Ukrainian Council of Ministers has already proposed to change the Supreme Soviet decision on building new nuclear power plants on Ukrainian territory adopted on 2 August 1990. People's deputies did not approve the cancellation of the moratorium, but with the growing shortages of energy, opponents of the moratorium will be exerting more pressure on the Supreme Soviet. Complex questions that the moratorium aroused will only strengthen their positions: Where can the alternatives to the Chernobyl energy be found? How will the future of the staff of the plant look? Who will decide what to do with the town of Slavutych? So far, there are no answers.

Justice Ministry Registers Nuclear Society in Odessa

AU2307164593 Kiev UKRAYINSKA HAZETA in Ukrainian 22 Jul-4 Aug 93 p 3

[Unattributed report: "A Nuclear Headquarters in Odessa"]

[Text] Ukraine's Ministry of Justice has registered a new independent public scientific and technological organization—the Ukrainian Nuclear Society. Its goal is to contribute to maintaining nuclear and radiation safety and to coordinate the activity of those collectives that work at atomic electric power plants [AES] and ina the uranium extraction industry.

Its founders are 17 collective members, including five Ukrainian AES, enterprises of the nuclear power engineering complex, and academic and branch institutes.

General Director of the Khmelnytskyy AES Viktor Sapronov has been elected as president of the society. Its headquarters will be located in Odessa, because, in this particular Black Sea city, there is the Polytechnic University—Ukraine's only institution of higher learning that trains specialists in the sphere of atomic power engineering.

Donetsk Demands Government Take 'Necessary Measures' on Economy

LD2407085093 Kiev UNIAR in Ukrainian 0735 GMT 24 Jul 93

[Text] Donetsk, 23 July—The collegium of the oblast council of people's deputies has given an ultimatum to the government: If the leaders of the state do not take the necessary measures regarding the social protection of the population, the Donetsk administration reserves the right to take decisive action directed at stabilizing the region's economy. The address says that the collegium of the oblast council is submitting to the session the issue of autonomy for the oblast within the composition of Ukraine.

Cabinet Adopts Resolution on Supporting Agriculture

LD2407123693 Kiev UKRINFORM in Russian 0917 GMT 24 Jul 93

[By the UKRINFORM correspondent]

[Text] [no dateline as received] The Cabinet of Ministers of Ukraine has adopted a resolution on providing agriculture with imported products for gathering and processing the 1993 harvest and completing autumn field work. This document, taking into account the state of accounts between CIS states, allows oblast and Kiev and Sevastopol town state administrations to conduct barter (exchange of goods) transactions with products of enterprises located on their territory, at a volume of two percent of goods production in physical terms without imposition of value added tax or export duty under conditions of import of products for ensuring agricultural work. Moreover, this proceeds from 1992 indicators (in excess of the volumes envisaged by the decree of the Cabinet of Ministers of Ukraine of 19 February 1993 numbered 18-93). It is permitted to import oil processing products, liquefied gas, mineral fertilizers, means of plant protection, timber, planting materials, oil-seed meal for producing balanced fodder, calcium carbide, accumulators, conveyor belts, drive belts, and spare parts for agricultural and processing technology.

Production of Agricultural Equipment Increases

LD2507181793 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 25 Jul 93

[Text] The production of equipment for the agrarian sector and the food processing industry at plants of the Machine Building, Military Industrial Complex and Conversion Ministry will nearly treble this year. These enterprises are already setting the pace in the production of many types of equipment that were until recently imported by Ukraine. The Progress design bureau in Nikolayev, for example, managed to develop systems comprising the whole cycle of growing and gathering potatoes. According to official statistics, the defense industry, reoriented toward the needs of the economy, works for the state budget much more effectively than even the specialist civilian sectors.

Kravchuk Introduces New Principles for Military Service

AU2307163993 Kiev UKRAYINSKA HAZETA in Ukrainian 22 Jul-4 Aug 93 p 3

[Unattributed report: "After 1 October, There Will Be Contracts"]

[Text] Ukrainian President Leonid Kravchuk has issued an edict establishing new principles for military service.

By 1 October 1993, all officers and warrant officers must sign a contract for a period between five and 10 years. Changes have also been introduced into the system of granting military ranks.

UKRAYINSKA HAZETA will report on this in more detail in the next issues.

Lvov Security Service Combats Smuggling

WS2607080193 Lvov VYSOKYY ZAMOK in Ukrainian 10 Jul 93 p 1

[Report attributed to the press center of the Ukrainian Security Service, SBU, administration in Lvov Oblast: "The SBU Foils Contraband]

[Text] An enlarged session was held at the Ukrainian Security Service administration in Lvov Oblast, which was devoted to the analysis of the work conducted by its operational units over the first half of this year.

We are publishing an excerpt from the report of Major General Vasyl Horbatyuk, SBU deputy chief and head of the SBU Administration, who provided some results in the battle against organized crime and corruption.

"As a result of the operational information received by the Administration, 64 metric tons of rolled galvanized iron, two metric tons of copper, one metric ton of nickel, 3 million karbovantes' [K] worth of various rare metals, K220 million worth of agricultural equipment, $330,000 worth of imported goods, and antique icons and other antiques estimated at K15 million were prevented from being unlawfully exported abroad.

The operational information was used by the tax department and the Control and Revision Administration at the Ministry of Finance. Thanks to this, $48.1 million was regained by state enterprises, $141,000 paid to the state budget, and K400 million paid in penalties for the unpaid income taxes.

Based on this evidence, the SBU Administration prevented several small local businesses from concluding contracts with a certain foreign company, which intended to smuggle into Ukraine ecologically dangerous industrial wastes, toxic agents, paints and varnishes, broken cadmium-nickel accumulators, 30,000 used tire-covers, and 12 metric tons of distilled fuel for thermo-electric power stations.

Also foiled was an attempt by a German company to import into Ukraine large quantities of ecologically hazardous chemical substances, the dumping of which is prohibited in Germany. This fact was used by the SBU to initiate criminal proceedings.

The SBU Lvov Oblast Administration detected and stopped several illegal financial operations, confiscating $6,700 and 28,000 Deutche marks planned to be brought out of the country. The SBU officers detected and documented cases of deliberate financial losses, totaling $3 million, which deprived the state currency reserves of some $1.5 million. The state budget recovered K150 million worth of assigned [tshilyovyy] credits misapplied by certain local small businesses.

The Department of Investigations at the Lvov Oblast SBU Administration is currently handling a number of criminal cases based on charges of illegal financial operations".

Vasyl Horbatyuk and other participants of the session, which discussed his report, noted shortcomings and problems in the organization of operational and investigative work and proposed measures intended to enhance its efficiency.

The Administration's management is particularly alarmed by the condition of service and executive discipline. Relevant measures are being undertaken in this sphere.

An investigation is now in progress connected with improprieties in the company "YuS," reported by the press. The findings provided by a commission investigating the case will soon be handed over to the Lvov Oblast Prosecution Office.

Cabinet Prepares New Rules on Hard Currency Earnings

LD2407091693 Kiev UNIAN in Ukrainian 2000 GMT 23 Jul 93

[Text] Kiev [dateline as received]—The Ukrainian Cabinet of Ministers has prepared a draft resolution which is to oblige enterprises and establishments to sell to the state 100 percent of earned hard currency at the interbank exchange rate (up to now 50 percent has been sold). When the resolution becomes valid it will cancel existing advantages for sales of hard currency.

Construction Industry Denationalization Gains Momentum

LD2407145593 Kiev UKRINFORM in Ukrainian 0917 GMT 24 Jul 93

[Summary] [no dateline as received] Denationalization in Ukraine's construction industry gains momentum. At the beginning of 1992, the non-state-owned sector of the construction industry accounted for 564 building enterprises, which represented 24 percent of their total number. The data published on 1 July 1993 shows that there are 1,707 non-state-owned building enterprises, which now represents 59 percent, with their share of subcontracted work performed having increased from 21 percent to 45 percent.

The number of enterprises on lease increased from 508 to 735 throughout 1992 and in the first six months of 1993, with their share of subcontracted work performed having increased to a total of 33 percent.

Black Sea Gas Reserves To Be Developed

AU2307180993 Kiev MOLOD UKRAYINY in Ukrainian 22 Jul 93 p 1

[Unattributed report published under the rubric "Fact"]

[Text] Ukraine will soon become independent with regard to one of the energy sources—gas. A program for extracting gas hydrants [hazohidranty] from the Black Sea is being elaborated. Its reserves are estimated at 20-25 trillion cubic meters, while Ukraine's annual needs are 100 billion cubic meters. By now, Ukraine has extracted 2 billion cubic meters of gas a year.

Crimean Tatar Resettlement Program Runs Out of Money

PM2207144193 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 21 Jul 93

[By Vladimir Plotnikov from the Crimea; from the "Novosti" newscast]

[Excerpt] One of the most important social programs in the Ukraine—the return of the Crimean Tatars—is essentially in shreds. It was planned to spend 18.5 billion karbovanets this year on the construction of housing, power lines, water mains, and sewage systems. However, due to inflation, the construction industry ran out of money after less than three months. As a result, the bulk of the 250,000 Crimean Tatar returnees remain in temporary housing, frequently without even the most basic services. [passage omitted]

Belarus

Shushkevich Discusses Nuclear Arms With Clinton

WS2307142893 Minsk Radio Minsk Network in Belarusian 1200 GMT 23 Jul 93

[Text] A meeting was held in the White House with U.S. President Clinton and Belarusian Supreme Soviet Chairman Stanislav Shushkevich. I would like to publicly thank the leader of Belarus for the support of the policy of the nonproliferation of arms, and the START I Treaty, the U.S. President declared before the talks. According to the White House statement, during the talks, President Clinton emphasized that Belarus has become the first of the former Soviet republics that has fully fulfilled its obligations under the Lisbon protocol, ratified the START I Treaty, and joined the treaty on the nonproliferation of nuclear arms. The U.S. President stressed that his country is interested in expanding economic ties with Belarus. The White House statement says that the talk with Shushkevich has become the first high level meeting by President Clinton with a leader of one of many independent states of the former USSR.

Meets Talbott, Foley, Hamilton

WS2307142593 Minsk Radio Minsk Network in Belarusian 1200 GMT 23 Jul 93

[Text] Vasil Varabev, chairman of the Belarusian Supreme Soviet press service, has reported from Washington that the agenda of Supreme Soviet Chairman Stanislav Shushkevich's stay in the United States is quite full. In addition to the high level talks, Stanislav Shushkevich held numerous talks with influential U S. personalities. In particular, the Supreme Soviet chairman held talks in the Capitol with a group of senators, and met with Strobe Talbott, adviser to the U.S. President. He conducted talks with the Chairman of the Committee for Foreign Affairs Hamilton, Speaker of the House of Representatives Foley, Vice President of the World Bank [name indistinct], congressmen, and a group of businessmen, who are cooperating with Belarus and wish to widen this cooperation. On the first day of his visit, Stanislav Shushkevich visited the Belarusian Embassy in the United States.

Joint Declaration Issued

WS2307144793 Minsk Radio Minsk Network in Belarusian 1200 GMT 23 Jul 93

[Text] According to the joint declaration on relations between the United States and Belarus, the U.S.-Belarusian summit has demonstrated that the strengthening and deepening of bilateral relations are a matter of great importance for the United States and Belarus. According to the joint statement, the two countries have stressed their strong will to work for the prevention of the proliferation of weapons of mass destruction and the corresponding technologies. The United States has declared that it is ready to cooperate closely with Belarus on the issue of Belarusian national security. The two countries have also agreed to cooperate in lifting all the unnecessary barriers that hamper bilateral trade and investments and develop the draft agreement on the mutual protection of investments. The United States has also agreed to cooperate in the sphere of agriculture, medicine, power engineering, culture, and others.

Shushkevich Briefs Newsmen on Visit

LD2407200593 Moscow ITAR-TASS World Service in Russian 0615 GMT 24 Jul 93

[By ITAR-TASS correspondent Igor Barsukov]

[Text] Washington, 24 Jul—The Republic of Belarus is striving for non-nuclear status, neutrality, and the reduction of armed forces on its territory, and it intends to ensure its security using chiefly political methods. This was stated by Stanislav Shushkevich, chairman of the Supreme Soviet of the Republic of Belarus, in a conversation with a group of journalists at which he summed up the results of his official visit to Washington and his talks with U.S. President Bill Clinton. During his visit a joint declaration was adopted on relations between the United States and the Republic of Belarus, and Stanislav Shushkevich had meetings with senior members of the U.S. Administration, legislators, and senior officials from the World Bank and the International Monetary Fund.

Asked how he assesses the economic cooperation between his country and the United States, and whether he considers that Washington places too much emphasis on helping Russia, Stanislav Shushkevich noted: "Economic help for Russia is to a certain extent economic help for us as well. Without a democratic Russia which is built on sensible market principles, it will be very difficult to build a market economy and a democratic state in Belarus." We have never made our own positions oppose those of Russia, he continued. In certain cases it is very much in our interests that the Russian Federation receive aid. In connection with this he made special mention of the problem of withdrawing strategic nuclear weapons from the territory of the Republic of Belarus.

Asked whether he discussed with President Clinton the Ukrainian stance toward the ratification of the START-I treaty and joining the nuclear nonproliferation treaty, Stanislav Shushkevich said that they were unable to discuss the stance of that independent sovereign state. They were only able to voice the wish that Ukraine would have acted in the same way as Belarus. "Ideally the others would have no reason to act differently," he said. In my personal view, Stanislav Shushkevich noted, "only Russia now has the moral right to possess nuclear weapons." He voiced confidence that both Kazakhstan and Ukraine would become nonnuclear. But this will be more painful to achieve for them than for us in Belarus, the leader added.

Speaking about his meetings at the World Bank and the International Monetary Fund, he stressed that these international organizations understand the difficulties facing

the republican economy. He said that there are no obstacles preventing Belarus from being granted its first loan by the IMF system transformations fund.

Report on Shushkevich's Visit

LD2307195593 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 23 Jul 93

[By correspondent Sergey Goryachev, including recorded remarks by Supreme Soviet Chairman Stanislav Shushkevich; from the "Novosti" newscast]

[Text] [Announcer Sergey Medvedev] Belarus Supreme Soviet Chairman Stanislav Shushkevich today completed his official visit to the United States. [Goryachev] Stanislav Shushkevich met President Clinton, and as we found out after their talks, they discussed the basis for relations between the U.S. and Belarus. The U.S. President, moreover, said that close relations with Russia are in the United States' interests.

Stanislav Shushkevich invited Bill Clinton to visit Belarus. Meanwhile, the highest honors were accorded in Washington to the guest from Belarus. The republic committed itself to become a nonnuclear state, and the U.S. in its turn committed itself to extend $59 million to Belarus. The money will be used to dismantle nuclear missile silos and also to build housing for nuclear forces officers being pensioned off. The agreement to this effect was signed by the U.S. and Belarus defense ministers.

In an interview with Ostankino television, Stanislav Shushkevich said that the decision to become a nonnuclear state will not undermine Belarus' security.

[Goryachev] Do you believe that there is no military threat posed to Belarus' security by other states?

[Shushkevich] Given the presence on our territory of weaponry that we do not control and do not own, then the danger is considerably greater than without this weaponry.

[Goryachev] The Republic of Belarus has made its choice. Its leaders justly believe that it is not nuclear weaponry but economic advance that bring people prosperity and the country respect throughout the world.

Accord Reached With U.S. on Crime, Terrorism, Drugs

LD2607045693 Moscow Mayak Radio Network in Russian 2230 GMT 25 Jul 93

[Text] An accord on the cooperation of Belarusian and U.S. special services has been reached during a meeting of Eduard Shirkovskiy, chairman of the republican Committee for State Security, with the leadership of the FBI and CIA. The head of the Belarusian KGB visited the United States with an official state delegation. On returning home, Eduard Shirkovskiy told a RIA correspondent that this cooperation will be carried out in the sphere of fighting terrorism, organized crime, and drug trafficking.

National Bank Withdrawing Russian Rubles From Circulation

LD2307144093 Moscow Mayak Radio Network in Russian 1230 GMT 23 Jul 93

[Text] The Russian ruble is being withdrawn from circulation in Belarus, according to a telegram from the Republic's national bank. There are plans to set up a reserve fund from which Russian money will be issued only to those going on business trips and vacations.

Kebich Praises Economic Deal With Russia, Ukraine

LD2407224393 Moscow Mayak Radio Network in Russian 2100 GMT 24 Jul 93

[Text] The states of the CIS—and the republics of the former (Soviet) Union overall—have not lost the desire to seek ways of cooperating, even though this process is often painful and difficult, Belarus council of ministers chairman Vyacheslav Kebich has declared in an interview in the (Minsk) NARODNAYA GAZETA.

It is this fact which inspires hope that we shall definitely reach the path of cooperation which is necessary in the interests both of the Commonwealth and of each state belonging to it. In Kebich's opinion, the tripartite declaration signed in Moscow by the prime ministers of Russia, Ukraine, and Belarus is an organic link in the development of objective processes and in the regulation of economic relations within the CIS, and it should give a fresh impetus to the furthering of the integration of the Commonwealth countries. The Belarus head of government believes that these three states' desire to coordinate their economic relations will be the litmus paper which should show which of the CIS countries really want to take part in an economic union, and which are merely playing political games with the idea.

Commander on Decision To Bolster Status of State Border

PM2307141193 Moscow IZVESTIYA in Russian 23 Jul 93 First Edition p 2

[Mikhail Shimanskiy report: "Belarus Declares All Its Borders State Borders"]

[Text] Minsk—The Belarusian Supreme Soviet has adopted two extremely important decrees—on conferring the status of state borders on all the republic's existing borders and increasing the number of border troops.

Let us say straightaway that the news comes as a considerable surprise. After all in an interview with IZVESTIYA just recently, on 5 May this year, Lieutenant General Yevgeniy Bocharov, commander of the republic's Border Troops, said that Belarus has no intention of shutting itself off from its neighbors. Then suddenly all nearby foreign countries have a state border around them. So my first question for Gen. Bocharov was this: What prompted these steps by the Belarusian leadership?

[Bocharov] Our neighbors have already conferred the status of state borders on their borders. Some, like Latvia and Lithuania, for instance, did this sooner, and others, like Ukraine, did it later. In short Belarus was presented with a fait accompli. So our parliament's decision to give all the republic's borders the status of state borders can be said to be a retaliatory measure. Belarus was not the first to set up a border, nor was it the first to deploy troops in any of the four sectors.

We have been forced to do that to stabilize the situation in the border areas, which is rather uneasy in some areas. These measures will enable us to regulate the resolution of many economic questions with our neighbors and prevent the republic's material resources from being exported. It will also prevent weapons, contraband, and drugs being brought into Belarus. [Bocharov ends]

What changes have there been to the concept for guarding Belarus' borders in connection with the decree? Gen. Bocharov replied that conferring state status on the borders clearly delimits the functions of the Border Troops, the customs service, and internal affairs organs. The corresponding Belarusian laws will now operate on the state border. That was not the case previously since there was no state border.

Are there plans for the construction of any intricate border reinforcements?

[Bocharov] There are no plans. We have no intention of setting up plowed strips or barbed wire entanglements or any other reinforcements.

[Shimanskiy] Why then is the republic's parliament increasing the number of Border Troops by its decree?

[Bocharov] We now have 8,000 Border Troops, and there will be another 4,500 by the end of the year. Incidentally, the Ukrainian border troop grouping on the Belarusian-Ukrainian border is almost 2.5 times larger than ours. We plan that 3-4 of our border guards will guard 1 km of the southern border on average. That is quite a small number if you bear in mind that the classic number is 17-18 men. [Bocharov ends]

How does Belarus intend to equip and guard its borders with Russia? Bocharov emphasized that, although Russia has declared all its borders to be state borders, it is not taking any concrete steps to provide them with installations in the Belarusian sector. Therefore there are as yet no plans to reinforce the state border with the Russian Federation.

Defense Official on Supreme Soviet Situation

WS2607063593 Minsk SOVETSKAYA BELORUSSIYA in Russian 21 Jul 93 p 2

[Interview with Valentin Pavlov, deputy chief of the Department of Public Security and Defense at the Council of Ministers, by unidentified correspondent; place and date not given: "Supreme Soviet Has Its Political Will"]

[Text] [Correspondent] Some Supreme Soviet deputies call their colleagues working in executive bodies "government lobbyists." Are they right?

[Pavlov] Parliamentary groups have their political and ideological mottoes. This is why they always "lobby" the ideas of certain political forces. Even Stanislav Shushkevich who calls himself a free and independent politician, also has his political inclinations and orientations. With regard to combining deputy functions with work in executive organs, I do not see anything wrong in this. We have just started the construction of the state. It is hard to predict how the process will develop. Much will depend on the situation in the society and on whether the legislature will listen to the people and not to advice from the West. We cannot blindly copy the Western model. Several generations of our people were raised on the principles of the socialist ideas that will last forever. The question is: "What political forces will be able to implement this idea fully and comprehensively?" Unfortunately, the Soviet Union failed to do this.

[Correspondent] The borderline between factions was clearly drawn at the 12th session when 166 deputies expressed lack of confidence in the speaker....

[Pavlov] You are right. The idea of reforms in a broad sense is not put to question. However, the basic question is what reforms are necessary. We still have no answer to this question, nor do we know what society we are going to build. In Chairman Shushkevich's opinion, we must build a civilized society with a market economy. His vision of this model has been changing depending on his foreign visits—it has been the Chinese, the Korean, the Romanian variant.... After President Walesa's visit, Shushkevich chose the Polish model, and he will probably bring the American model from his U.S. trip. Our government and the majority of deputies believe that our people need reforms that would be moderate in pace and socially oriented. The main objective of the reforms is how to combine the centrally administered planned economy with the market for the benefit of all strata of society.

[Correspondent] However, Stanislav Shushkevich has accused the government of sluggishness in reshaping the economy.

[Pavlov] Not only of sluggishness but also of inability to do this, because, in his opinion, the government advocates Marxist- Leninist ideology. I must say that these accusations are rather untrue. As far as I know, the pace of reform implemented in Belarus without undue haste has been highly assessed by such prestigious organizations as the International Monetary Fund, the European Bank for Reconstruction and Development, and others. All the former Soviet republics are now witnessing a laborious transitional period. The only criterion of its efficiency is the living standard of the people and their social security. Stanislav Shushkevich, though, is pushing for intensive privatization and the adoption of a new constitution.

[Correspondent] Will this not boost the reforms?

[Pavlov] Not only will it not boost the reforms but it will undermine our feeble economy. Every phenomenon must mature. For example, the British Cabinet of Ministers privatized 1-2 percent of state controlled property over seven years. Denationalization programs were carefully drafted, technological calculations were made, social issues were discussed. Let us not forget that Great Britain is a country of high legislative culture. The situation in Russia is totally different. The largest enterprises were sold at auctions for pennies. The sea port of Nakhodka was sold for 15 million rubles. This kind of privatization lets rich people make even bigger fortunes and gives no chance to workers or engineers. This kind of privatization destroys the foundations of socially oriented economies. Speaking of the new constitution, it must be adopted under the conditions of social stability and clarity of situation and concrete political, economic, and social goals. Unfortunately, the situation is different in Belarus.

[Correspondent] What do you think of convening the constitutional assembly for the adoption of the new constitution?

[Pavlov] Bolshevism in its worst meaning stipulates that all means are good for obtaining a goal. Shushkevich is a bolshevik in his attempts to adopt the constitution at all costs. Only the Supreme Soviet is entitled to convene the constitutional assembly and determine its status. However, by doing this, the Supreme Soviet will acknowledge its own inability to adopt a new constitution. In my opinion, we should not create an atmosphere of tension and hysteria around the issue of the new constitution. We have just started drafting this document. The Supreme Soviet has both the political will and desire to discuss and adopt it article by article, very carefully and with an eye toward sentiments in the society, and not politics. By the way, 65 percent of the articles have already been approved, while with regard to the remaining articles, we should probably seek advice from people at the referendum.

[Correspondent] Why has the issue of collective security become the subject of such heated debates and caused further division of the Supreme Soviet?

[Pavlov] The 'Belarusian syndrome' and not collective security is the key. People used to place their hopes in the CIS, but their lives dramatically worsened. Why? The answer is plain to see: more than 200 CIS documents are not functioning. People's deputies were right when they blamed Shushkevich for inaction. The main thing is that the Belovezhskaya Forest agreement gave people hope for further living together. However, Shushkevich called this way of life uncivilized and compared it to living in a communal apartment. We cannot passively observe how the forces separating the people are gathering momentum. The more so that the issues of Belarusian security and the fate of the Belarusian Army have arisen. The Supreme Soviet chairman has chosen the policy of neutrality, blaming the Army for lack of patriotism. In my opinion, this is not so.

[Correspondent] Lately, there has been a lot of criticism of the Department for Public Security and Defense....

[Pavlov] There is nothing strange or new about this. This is the continuation of the same kind of political games. People who criticize us do not even know the scope of our department's activity. They only want to accuse the government of incompetence, absence of strategy and tactics. For example, I have invited Deputies Antonchik, Shut, Naumchik, and others to come and see what we are working. We have no secrets.

The department was formed in 1991. It employs 18 people and coordinates the activity of nine ministries, committees, and departments. I want to underline that we coordinate, and not manage their activity. The department has drafted 187 resolutions and 264 governmental instructions on securing our state's defense potential, forming our Armed Forces, fighting organized crime, terrorism, drug trafficking and smuggling, protecting the state border, and so on. We have been working in close contact with Supreme Soviet committees and in strict accordance with the Council of Ministers regulations. By the way, appointments to high posts at the Defense Ministry, the Ministry of the Interior, and the Border Guards are made by the Council of Ministers and not by the department.

Do we have shortcomings? Of course, we do. When we started, defense had no legislative basis. Now, the situation has changed and has become more complicated due to the necessity of reductions in the Army. I would advise that critics rather look around and see who their advisers are. The Supreme Soviet Secretariat has swollen from 83 to 413 functionaries. I believe that the structure of the Cabinet of Ministers will change. Now, during the transitional period we are looking for an optimal model.

Chinese Military Ends Visit; Continued Cooperation Planned

WS2607075993 Minsk RID in Russian 1125 GMT 23 Jul 93

[Text] The Chinese military delegation, headed by Major General Fu Jiaping, director of the Foreign Affairs Bureau of the Chinese Defense Ministry, concluded its visit in Belarus.

The leader of the Chinese delegation told a BELINFORM correspondent that the four-day meeting in Minsk was quite successful. Thanks to their conversations with generals and officers of the Belarusian Army, the Chinese emissaries acquainted themselves with problems of the young, developing Armed Forces of a sovereign Belarus and consider approaches to mutually beneficial cooperation between China and Belarus in the military sphere. In the opinion of General Fu Tsengpin, contacts at all levels, including the military level, will promote mutual understanding between our states and peoples, which due to geopolitical priorities in foreign relations of the former Soviet Union, was not significant. [Words indistinct] with

training process and new methods of training officers of the national Army, which has a defensive doctrine and is oriented toward neutrality.

The general emphasized that this largely informational meeting with Belarusian colleagues will allow them to map out new approaches to cooperation and contacts on specific military issues. It was agree to continue the mutual visits.

Moldova

Snegur Asks Parliament To Ratify CIS Agreement

AU2507160893 Chisinau BASAPRESS in English 2000 GMT 23 Jul 93

[Text] Chisinau, BASAPRESS, 23/7/1993—The ratification of the agreement regarding the CIS creation could be an item at the extraordinary parliamentary session on the 3rd of August, stated Viorel Ciubotaru, head of the cabinet of presidential counselors, to BASAPRESS. He mentioned that Snegur signed a letter for Petru Lucinschi, where the parliament is demanded to "examine and ratify the agreement, according to the Constitution." Ciubotaru stressed that only economic aspects of the agreement are to be ratified, while the military and political ones were excluded. The letter of President Snegur is supplemented with these documents: the agreement on the creation of CIS; the Almaty Declaration, and the project of decision regarding the ratification of the agreement. The agreement has another annex, called "Reserves". The deputy Alecu Renita qualified Snegur's letter as "an offending question for Moldova." Renita added that the text includes not only economic aspects, but also political ones.

Snegur Withdraws Old Bank Notes From Circulation

LD2607081793 Moscow ITAR-TASS in English 0616 GMT 26 Jul 93

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau July 26 TASS—Moldovan President Mircea Snegur has issued a decree banning the circulation of old Soviet and Russian banknotes issued between 1961 and 1992. The move followed a similar decision announced by the Russian Central Bank on Saturday.

However unlike in Russia, one to 100 rouble banknotes will remain in circulation in Moldova since there is not enough small denomination coupons in Moldova, Leonid Talmach, chairman of the Moldovan National Bank, said. The bank has issued only 50, 200 and 1,000 rouble coupons. Talmach believes the exchange of money will not have serious consequences in Moldova.

Residents of the republic will be allowed to exchange money without any limits. However, operations involving sums exceeding 50,000 roubles will require an income declaration.

Decision on Bank Notes 'Complete Surprise'

LD2507104593 Moscow ITAR-TASS in English 1027 GMT 25 Jul 93

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau, July 25 TASS—The decision by the Russian Central Bank to withdraw banknotes of the 1961-1992 issues from circulation was a complete surprise for the Moldovan Government, said Moldovan Deputy Finance Minister Valeriu Kitsan in an interview with ITAR-TASS on Sunday.

The government takes urgent measures to protect market from the influx of valueless cash. The administrative board of the republican bank, now in session in Chisinau, will take a decison to withdraw outdated bills from circulation. According to Kitsan, the republican leadership will try to buffer the blow on the population. Some part of population's cash will probably be exchanged, the rest will be deposited on bank accounts.

As a result of this step by Russia, hard times are in store for Moldova where Moldovan coupons and bills of the former Soviet Union were in circulation on an equal footing. The Republic will be left without small change, since Moldova issued coupons with denominations of only 50, 200 and 1000 roubles.

In the opinion of local analysts, this surprise step by Russia will undoubtedly prompt Moldova to accelerate the introduction of its own currency—Moldovan leis which were already printed and are stored at the National Bank.

The government will hurry with issuing privatisation vouchers to populatien, which, in the opinion of the authors of privatisation, will buttress the national currency.

Sangheli on Economic, Political Situation

PM2307110393 Moscow IZVESTIYA in Russian 23 Jul 93 First Edition p 4

[Interview with Prime Minister Andrei Sangheli by Svetlana Gamova in Chisinau; date not given: "Andrei Sangheli: Independence Is Expensive"]

[Excerpt] Chisinau—[passage omitted] [Gamova] Mr. Minister [as published], the government you head would, to coin a phrase, be prepared to go to the wall to restore all its eastern ties. Does this mean that the "breakthrough to the West" proclaimed by Premier M. Druk in 1989 has failed to materialize?

[Sangheli] The ideal scenario is to have two or three "irons in the fire"—East, West, North, and South. This would rule out the possibility of being dependent on just one market and one partner. The situation today is that in order to survive we need to choose the closest markets and the closest partners. The most advantageous and reliable partners. These are Russia and the other CIS countries.

Breaking into the Western market is by no means a secondary task and is still on the agenda. But in order to resolve it we need to be well prepared. And it will take investment to bring the output produced in Moldova up to a level where we can start competing for the European market—where all the available places have long been taken. The only area where demand is not falling is in raw materials. For instance, we are happy to supply apple juice rather than apples. The juice, in concentrate form, can later produce five liters of drink per liter of concentrate. By selling it we will naturally earn five times more profit. It is a simple but typical example. If we follow this route, we run the risk of turning into a raw materials appendage.

Western entrepreneurs are not setting up joint ventures in our country. It is not profitable for them. It is far more convenient to buy raw materials from us. They thereby retain their own capacity, produce their own output, and keep us under a certain amount of pressure.

Our products—and I am thinking of agriculture and the processing industry—are competitive in the East. We have always been ahead of the game over there to a certain extent. That's the first point. Second, Moldovan products need the CIS countries just as much as Russian, Ukrainian, and Belarusian products need us. Moreover, we are integrated with the East, and this should not be thrown away for nothing. Russia currently accounts for 80 percent of Moldova's trade turnover. And, were it not for various barriers such as customs duties, we could increase turnover even more.

But we also understand something else—we will not be able to get out of the prevailing situation without foreign capital. We need investment. Not rubles, not lei, but convertible currency. We need the latest technology to back up this investment. But we can only count on it in the event that investors have a clear idea of who we are and what we want. That is, we need economic and political stability.

[Gamova] What do you mean by "who we are"?

[Sangheli] Future investors must know for sure whether Moldova will remain a sovereign state, whether it will unite with Romania, or whether it will strengthen its ties with Russia, joining the CIS. That is, they must have a clear idea of just who we are. When making contact with the Moldovan leadership, investors must be sure about whom they can do business with. Western investors do not currently see the political stability they want in our country. In a situation when group interests are at work, the Moldovan Government, which does not have any political party behind it, has been left isolated. Competing political movements just pin all the blame on the government. It isn't easy to keep the economy going while doing everything it takes to survive in this situation. Yet this is the government's main task today.

[Gamova] The opposition is accusing you of being too committed to the CIS...

[Sangheli] The opposition in Chisinau is saying that Moldova is being dragged into the CIS and that a new empire could emerge. Scaring people with the idea of a new empire or the thought that "the Communists will crush us" has had its day. Slogans of this kind played their part in 1991-1992. But times have changed. Neither Russia, nor Ukraine, nor Belarus needs us. God only knows if they'll be able to deal with their own problems. But since we are all linked to the same network, we must leave it smoothly, keeping our economy going.

[Gamova] Is it possible to keep the economy going at a time when the republic has in practice been split into three regions? Or will it continue to operate as a unified economic complex?

[Sangheli] There is no unified economic system in Moldova. Apart from the Dniester Region, we now have problems with a number of regions in the south and in the Gagauz region. Payments into the republic's budget from those areas are sporadic. Unless we sort things out with these regions we will be practically unable to advance economic reform. One example is the national currency. We could introduce it in the fall. But that would require the right economic and political conditions. Introducing the Moldovan leu today would mean restricting its circulation, since rubles continue to circulate on the Left Bank. There might be a political effect, but only for a month or two. And then what? That is why the prime task today is to preserve the republic's integrity and ensure the functioning of a unified economic complex.

[Gamova] Is an agreement with the Dniester Region currently realistic?

[Sangheli] Agreement is the wrong word. There is no more important goal today. Our independence is expensive. We failed to realize that at the very outset. It was easy to talk about sovereignty when all our bags were full, when people gave a thought to us, and when there were people to take things from. Now that independence has become a reality, it transpires that it must be able to defend, feed, and clothe itself. The time has come when we must pay for the freedom we have gained. Everything is on the boil in today's Europe and all states have grievances against each other. We could all be engulfed in a conflagration if there is no understanding that today we need to live within existing borders.

Kazakhstan

Government, National Bank Issue Statement on Ruble

LD2507214493 Almaty Kazakh Radio Network in Russian 0100 GMT 25 Jul 93

[Text] We are broadcasting a statement by the government and National Bank of the Republic of Kazakhstan.

As you know, as of 0000 hours on 26 July this year, the free circulation of USSR State Bank 1961-1992 issue banknotes is being stopped on the territory of the Russian Federation. So the only legal means of making payment on the territory of Russia will be in 1993 issue banknotes of the Central Bank of the Russian Federation. The conditions, terms, and amounts for exchanging cash have been approved and brought to the attention of juridical and physical persons, as has the procedure for using funds deposited in savings and commercial banks.

The government and National Bank of the Republic of Kazakhstan confirm their adherence to remaining in the ruble zone. This stance is reflected in the agreement between the governments and Central banks of our states of 15 May 1993 on mutual obligations and requirements connected with the use of the ruble as currency. The republic's Supreme Soviet was one of the first CIS member countries in the ruble zone to ratify the agreement and charter of the Interstate Bank, which is supposed to carry out mutual transactions between states' economic bodies on the basis of the ruble issued by the Central Bank of the Russian Federation.

At present an accord has been reached at the government level, which involves the National Banks on introducing 1993 issue banknotes into the territory of Kazakhstan in the very near future. So the new ruble will be introduced in the republic. The population will be given the opportunity to exchange funds in good time according to the conditions adopted in Russia, which will make it possible to ensure normal cash and money circulation, as well as uninterrupted cash free mutual transactions between economic bodies.

At the same time the relevant bodies have been instructed to take all measures to protect Kazakhstan's market from the unauthorized influx of banknotes from outside that could be put into circulation.

IAEA Delegation Views Facilities, Meets Specialists

LD2407100493 Almaty Kazakh Radio Network in Kazakh 2300 GMT 23 Jul 93

[Text] A delegation of the International Atomic Energy Agency [IAEA], led by the safety director Morris Rosen, has visited Kazakhstan. In six days they visited a number of atomic facilities and met with representatives of the Agency for Atomic Energy of Kazakhstan and held talks with leading specialists of a number of ministries and departments involved.

Before his departure, Rosen said that the delegation is interested in all aspects of developing atomic energy in Kazakhstan and is extremely satisfied with the results of the trip. The members of the delegation familiarized themselves with the radiological situation in the republic and in particular around the Semipalatinsk nuclear test site.

Rosen stressed that environmental situation in the test site area is not as urgent as we have thought; 30 years have passed since the tests and radioactivity has almost vanished. Of course we have to carry out more research work in order to study the process and to adopt adequate steps, he said. We could have rendered practical support to the population if sufficient information had been supplied to us by Russia.

In the future the IAEA is eager to render assistance in creating a system of radiological protection and to specify issues of major and minor importance. The delegation of experts from the IAEA intends to visit Uzbekistan and Kyrgyzstan.

Promises To Supply Safety Equipment

LD2307171193 Moscow ITAR-TASS in English 1558 GMT 23 Jul 93

[By KAZTAG correspondent Konstantin Borodinov for TASS]

[Text] Almaty July 23 TASS—The International Atomic Energy Agency will help former soviet republics carry out projects aimed at increasing safety standards of their nuclear power plants.

The announcement was made by Morris Rosen, assistant director general of the International Atomic Energy Agency (IAEA), who was in Kazakhstan as a head of the IAEA delegation. During the six-day trip the delegation visited several nuclear facilities and met with representatives of Kazakh ministries and departments working in this sphere.

Rosen said the delegation was interested in the use of atomic energy in Kazakhstan and expressed satisfaction with the results of inspection. The delegation was informed about the radiation situation in the republic and around the testing range in Semipalatinsk.

Rosen said if the agency were provided with ample information about the radioactive situation at the testing site, it could begin practical assistance to the region.

There are many high-skilled specialists in Kazakhstan who know their job. But there is a shortage of equipment because there is not enough funds to buy it. The IAEA could help solve this problem and many others, Rosen said. To this end, the agency will supply equipment to create a system of radiological protection in Kazakhstan.

The IAEA delegation will leave for Uzbekistan on Saturday [24 July] on a similar mission.

India Offered Use of Space Facilities, Nuclear Cooperation

LD2407081193 Moscow Radio Rossii Network in Russian 0700 GMT 24 Jul 93

[Text] Kazakhstan has invited India to participate in an international space company that the Kazakh leadership is planning to set up on the basis of the Baykonur cosmodrome. Kazakhstan has also expressed readiness to supply uranium fuel for Indian nuclear power stations. RIA reports that this was stated in Delhi at a meeting of the Indian-Kazakh commission on trade and economic cooperation. During the talks the sides noted that cooperation in the sphere of space and nuclear power engineering are priority areas in their joint work. The leader of the Kazakhstan delegation said that India could launch its civilian satellites from the Baykonur cosmodrome using carrier rockets of other countries including Proton and Zenit rockets.

Nazarbayev Concludes Visit to Thailand

LD2407131093 Almaty Kazakh Radio Network in Kazakh 0100 GMT 24 Jul 93

[Summary] President Nursultan Nazarbayev's official visit to Thailand has come to an end. The sides agreed on setting up a joint commission on bilateral cooperation between the Kingdom of Thailand and the Republic of Kazakhstan. Thai Prime Minister Chuan Likphai believes that the economies of the two countries can efficiently supplement each other: Kazakhstan is rich in mineral resources and Thailand is not. It depends on the imports in oil, metals, and other goods which it can get from the young state. Last year the trade turnover between Thailand and the newly created state accounted for $50 million.

President Nazarbayev's visit was of great interest for the business circles of Thailand that are now actively looking for market areas for their products, possibilities for expanding cooperation in the field of economy, and are willing to invest money in our economy provided certain conditions are observed. The leaders of the oil refinery industry, which is the basis of the economy of the rapidly developing country, have hopes of cooperation in developing Kazakhstan's oil fields. This has been mentioned during Nazarbayev's visit to the region's enterprises. Within a month the first deputy prime minister of Thailand will arrive in Kazakhstan to implement the agreements that have been reached.

On 25 July Nazarbayev and officials accompanying him left for home. On the way back the delegation from Kazakhstan made a short stopover in Islamabad. The same evening they came back to Almaty.

Joint Statement on Increased Trade

LD2307143393 Almaty KAZTAG in Russian 1200 GMT 23 Jul 93

[Text] [no dateline as received] A wide scope of issues related to both countries was discussed at a meeting held in Bangkok on 21 July by Kazakhstan President Nursultan Nazarbayev and Thai Prime Minister Chuan Likphai. The Kazakh leader is making his current visit at the invitation of the leadership of the Kingdom of Thailand. This is the first official visit of the head of a young, sovereign CIS state to Southeast Asia.

After diplomatic relations were established last year, Kazakhstan has been striving to fully develop its ties with Thailand. The republic, according to the president, is very interested in Thailand's expertise in building a market economy and creating advantageous conditions to attract foreign investments. "It is an educational and useful experience," stated Nazarbayev.

Chuan Likphai stressed that great possibilities exist for broadening mutually beneficial trade and economic ties between the two countries. He noted that Kazakhstan possesses great natural resources that Thailand lacks. The prime minister is sure that the current visit of the president of Kazakhstan will serve as a catalyst in utilizing this potential.

The sides concluded an agreement on creating a joint committee on bilateral cooperation.

The Kazakh president and Thai prime minister spoke in favor of concluding bilateral agreements on trade and investments to promote closer cooperation and mutual understanding between the two countries.

After the meeting a joint Kazakhstan-Thailand statement was adopted. Both leaders expressed confidence that the exchange of views during the Kazakhstan president's visit to Thailand will greatly contribute to the cause of strengthening mutual understanding and cooperation between the two countries in spheres of mutual interest. They pointed out the need to broaden trade, stimulate capital investments, and develop joint production.

The Thai prime minister expressed hope for the success of the Kazakhstan president's initiative on convoking a conference on cooperation and confidence-building measures in Asia aimed at the mutual work of peace-loving countries toward peace, justice, prosperity, and deeper understanding between the members of the world community.

Leaders of both countries expressed complete satisfaction with the results of their meetings and conversations. They stressed that such summit visits are important and useful and will be continued.

Nazarbayev conveyed an invitation to the Thai prime minister to make an official visit to Kazakhstan in the near future. The invitation was accepted with gratitude.

At a news conference later the president of Kazakhstan said his talks with the head of the Thai Government were successful.

Answering questions concerning the future of the CIS, Nazarbayev stressed that he was for strengthening the Commonwealth, especially in the economic sphere, which, according to his words, exists as a single organism. The

implementation of a concerted policy corresponds to the interests of all the countries of the Commonwealth, the president stated, noting that it was for that particular reason that an economic alliance of all interested CIS states was organized this past May.

Prime Minister Signs Trade Agreements in Australia

LD2307174893 Moscow ITAR-TASS World Service in Russian 1202 GMT 23 Jul 93

[By ITAR-TASS correspondent Viktor Kuznetsov]

[Text] Canberra, 23 Jul—In Sidney, agreements on economic and trade cooperation, and on mutual encouragement and protection of investments were signed today between Kazakhstan and Australia. They were signed by Kazakh Prime Minister Sergey Tereshchenko, who is paying an official visit to Australia and Trade Minister Peter Cook.

The prime minister met Foreign Minister Gareth Evans. During negotiations they discussed disarmament, nonproliferation of nuclear weapons, and regional security. A statement by Gareth Evans that was issued earlier says that after proclaiming its independence Kazakhstan has become actively involved in the world community and has demonstrated its interest in creating an atmosphere of security in the Central Asian region.

During his visit, which will last for three days, the head of the government of Kazakhstan is to visit the states of New South Wales and Western Australia. He will meet representatives of industrial and agricultural companies of the country.

This is the first visit by the prime minister of Kazakhstan to the fifth continent.

Japan Donates Medical Supplies, Equipment

LD2307111793 Moscow ITAR-TASS in English 1038 GMT 23 Jul 93

[By ITAR-TASS correspondent Fyodor Ignatov]

[Text] Almaty July 23 TASS—The Japanese Government has donated medical supplies and equipment to Kazakhstan on the occasion of appointing the first ever Japanese ambassador to this former Soviet republic.

The amount is estimated to be sufficient to meet the needs of 30,000 people for three months. A chartered plane will deliver the gift on July 27.

Japan will also meet the request of the Kazakh Government for some rare vaccines: they will be delivered to Almaty in mid-August, sources in the Japanese Embassy said.

Tajikistan

Foreign Ministry Official Warns of Attacks

LD2507191493 Moscow Mayak Radio Network in Russian 1800 GMT 25 Jul 93

[Text] Zafar Saydov, head of the Information Department of the Tajik Foreign Ministry, told journalists today that the so-called Tajik government in exile has stepped up its activities. He said that this government is located in one of the northern provinces of Afghanistan. Some of the opposition leaders have arrived in the regions bordering Tajikistan and have started preparing further provocative armed operations on the Tajik-Afghan border.

According to information in the possession of the Tajik Foreign Ministry, in certain places in Afghanistan there is a concentration of guerrillas from the Islamic Rebirth Party of Tajikistan, which intends, with the support of Afghan armed mercenaries, to carry out a series of armed operations against the Tajik border and Russian border posts.

RIA reports in particular that there is an armed group of up to 900 men with combat equipment in the Afghan village (Bakhorsk), which intends to breach the state border in the near future to join up with anti-government forces in the Tavildara region of Badakhshan.

Saydov said that responsibility for the escalation of hostile armed activities on the Tajik-Afghan border and its consequences will lie entirely on the leaders of the so-called government-in- exile, and on those officials in the northern border provinces of Afghanistan giving them active assistance.

General Details Border Security

LD2407144793 Moscow ITAR-TASS World Service in Russian 1320 GMT 24 Jul 93

[By ITAR-TASS correspondents Galina Gridneva and Yuriy Tyssovskiy]

[Text] Dushanbe, 24 July—The fortification of the positions of the Russian border troops along the Tajik-Afghan border is a priority task with a view to preventing the further penetration onto the territory of Tajikistan of opposition forces who are being supported by Afghan mojahedin. The TASS correspondents were told this today by Major General Anatoliy Chechurin, the commander of the group of Russian border troops in Tajikistan. "First, one should note how serious and comprehensive the attitude taken by the Defense and Security Ministries, the government, and the Supreme Soviet of the Russian Federation is to what happened on the Tajik-Afghan border 10 days ago," the general said. "During my long service I do not remember such attention for the border troops. I consider the decision taken to be timely and promising. It implies two stages: an immediate one and a long-term one.

"The security minister's order on the complex of measures to fortify the border requires serious efforts from the

headquarters of the border troops, the 201st motorized division, and the Tajikistan Defense Ministry and state committee for national security. Measures for the first stage have already been nearly completed: the number of men has been increased, subunits of the relevant departments have been moved forward to the frontlines, and combat equipment has been concentrated in the most vulnerable directions. In other words all has been done to prevent the tragedy of 13 July from happening again."

Anatoliy Chechurin pointed out here that if the adversary wanted to make another attempt to break through, it would cost him a lot of blood. In the future, he said, the border will continue to be fortified with border troops' personnel. The Russian Federation Defense Ministry will also send combat subunits there.

The important point here, as it seems to me, is that there has been a positive shift in the ideology of guarding this section of the border, the general noted—not only in Russia but also in Tajikistan itself. An understanding has emerged that this line cannot be left to fate—otherwise it is difficult to count on any stabilization of the situation in the internal parts of the republic.

'Expert' Calls For Dialogue With Opposition

LD2307134493 Moscow ITAR-TASS in English 1222 GMT 23 Jul 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe July 23 TASS—The Tajik authorities should establish political contacts with the opposition as soon as possible. The optimism of Dushanbe officials over their allegedly full control over the socio-political situation in the Republic is somewhat premature, said a military expert, who spoke on conditions of anonymity. This follows from the fact that the Tajik Government forces have failed so far to suppress the hotbeds of resistance of the opposition in Tavildara, Komsomolabad and some other regions at the foothills of the Pamir mountains, he told TASS.

The Gorno-Badakhshan authorities, which are loyal to the present Tajik leadership, have practically no control over a large part of the region's territory, including the Kalaikhum, Vanch and Yazgulem Districts, where the influence of the opposition is strong. Khorog, the administrative centre of the Pamir region, is also in a turmoil. Rallies of so-called representatives of Pamir youth were held there recently, at which appeals could be heard for the resignation of local authorities and the raising of the official status of the region. Extremist slogans were also put forward there, specifically those dealing with the secession of the region from Tajikistan.

According to the military expert, it is common knowledge that there are some military-political forces supporting the Tajik opposition in Afghanistan itself, where the Tajik Government in exile is now staying. The fact that the 55th Infantry Army, which is not controlled by the Kabul authorities, took part in the attack on the Russian frontier guards, is proof to that.

Some Russian officers and politicians are becoming increasingly aware of the real danger of a further escalation of Russian military presence in Tajikistan. The necessity for a political solution to the conflict in the region through the joint political efforts of Tajikistan, Russia, Afghanistan and international organisations is obvious.

And still, all the frontier guards from the 12th frontier post, who remained alive and who are now undergoing medical treatment at the Dushanbe hospital, expressed the desire to return to the same frontier post and to perform their duty. Sergeant Sergey Yelamov, 20, one of the defenders of the 12th frontier post, told foreign journalists, who visited the hospital, about this collective decision taken by him and his friends. After the death of his commander, First Sergeant Mikhail Maiboroda, during the repulsing of the attack of Tajik fighters and Afghan mujahideens on July 13, he took charge until the aid came. The decree of President Yeltsin conferred the title of the hero of russia on Sergeant Yelamov, together with other five frontier guards (four of them—posthumously). "Our intention was brought about not by the feeling of revenge, but by the feeling of duty before our dead comrades and their mothers," Yelamov said.

The military and the politicians should decide whether or not Russian frontier guard troops should remain in Tajikistan, Sergeant Yelamov continued. In his opinion, they should remain there. "If Russia withdraws its frontier guard troops, it will be bad both for the Russians living there and for Tajikistan itself. We are defending here the southern frontier of the Commonwealth of Independent States. Besides, there is a collective security treaty," he said. He was supported by Pavel Nikolaychuk and Nikolay Pukhov. Lieutenant Colonel Vladimir Opanashchenko, head of the hospital, said he had a number of similar applications submitted by soldiers from other frontier posts, who asked to send them to the 12th frontier post after they are released from the hospital.

Trade Unions Condemn Afghan Actions

LD2507005193 Moscow ITAR-TASS World Service in Russian 0640 GMT 24 Jul 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 24 Jul (TASS)—Continuing provocations at the Tajik-Afghan border and systematic shelling of Russian border posts from the territory of the Islamic state of Afghanistan are causing rightful concern and indignation among the public in Tajikistan.

The local press widely publicized today a statement made by the presidium of the Council of Tajikistan's Trade Unions Federation, in which the large-scale breech of the state border near border post No. 12 on 13 July and subsequent armed provocations are qualified from the point of view of international law as an encroachment

upon the republic's territorial integrity and an attempt to destabilize the socio-political situation in Tajikistan.

Resolutely condemning these hostile actions, the Tajik trade unions demand that the government of the Islamic state of Afghanistan take adequate measures to prevent similar actions in the future and to bring to book the organizers of the armed provocations.

The statement expresses hope that the Afghan and the Tajik peoples, who are close in terms of language, religion, and traditions, will in future live in peace and harmony with each other.

A similar appeal has been made by the leadership of the Dushanbe town committee of the Communist Part of Tajikistan. It backs the recent statements made by the Tajik and the Russian parliaments, and by Russia's Defense Minister Pavel Grachev, who visited Tajikistan recently, to the effect that interference by certain political and military forces of the Islamic state of Afghanistan in the internal affairs of the sovereign Tajikistan is inadmissible. The appeal also backs the demands to stop violations of the Tajik-Afghan border, which is also the border of the CIS.

The leaders of Tajikistan communists have called on the republic's leadership to take resolute actions against "the enemies of the Tajik people," who, according to the authors of the appeal, "still harbor plans to unleash a fratricidal war and would not balk at anything to achieve their aim of seizing power, while using in their ranks, among others, Afghan mojahedin mercenaries."

National Bank Promises To Exchange Old Russian Rubles

LD2607091593 Moscow Programma Radio Odin Network in Russian 0730 GMT 26 Jul 93

[Text] The National Bank of Tajikistan published a report today stating, in particular, that the Russian Federation bank notes that have been accumulated by the general population, enterprises, organizations, and bank institutions will continue to be circulated as usual throughout the territory of the republic. The National Bank of Tajikistan guarantees the safety of the population's deposits and savings and will exchange them for the 1993 issue bank notes. The timescale for the exchange will be announced at a later date.

PRC Parliamentary Delegation Arrives, Meets Officials

LD2307221493 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 23 Jul 93

[Text] A parliamentary delegation from the PRC headed by Tomur Dawamat, vice chairman of the National People's Congress Standing Committee and chairman of the Government of the Autonomous Regional People's Government of Xinjiang-Uygur, arrived in Dushanbe today.

The Chinese parliamentary delegation was welcomed at the capital's airport with bread and salt. Abdulmajid Dustiyev, first deputy chairman of the repuiblic's Supreme Soviet; Atayev, chairman of the Supreme Soviet Committee; Mansurov, chairman of the Executive Committee of the city of Dushanbe; officials of the republic's Ministry of Foreign Affairs; and personnel of the PRC Embassy in Tajikistan welcomed the guests.

Also today Abdulmajid Dustiyev met with the members of the PRC parliament. Dawamat invited Abdulmajid Dustiyev to pay a friendly visit to the PRC. The meeting was also attended by Atayev, Nazarshoyev, and Koderov, chairmen of the committees of the Supreme Soviet; and Mirzoyev, deputy foreign affairs minister of the republic.

The Chinese guests will stay for a few days in Tajikistan and will meet with workers of enterprises and visit places of interest in Dushanbe.

Discusses Cooperation With Rakhmanov

LD2407115993 Moscow ITAR-TASS in English 1139 GMT 24 Jul 93

[By KHOVAR news agency correspondent Negmat Ochilov for TASS]

[Text] Dushanbe July 24 TASS—Tajikistan and China expressed mutual interest in the development of trade-and-economic cooperation. This was stated on Saturday [24 July] during a meeting between Tajik parliament speaker Imamali Rakhmanov and a Chinese parliamentary delegation, who are currently in the republic on a friendly visit.

"The two countries signed ten important documents in spring this year and they are being successfully implemented. In the international arena, Tajikistan will firmly pursue a peaceful policy," Rakhmanov emphasised. He expressed gratitude to China for its support for the efforts of the country's leadership to achieve peace and concord on Tajik soil.

For his part, Tomur Dawamat, vice chairman of the standing committee of the National People's Congress, who leads the Chinese delegation, called for closer cooperation between the two states.

Supreme Soviet Decree Alters Curfew Hours

LD2307211093 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 23 Jul 93

[Text] The Tajikistan Supreme Soviet Presidium has issued a decree amending its own decree dated 6 January 1993 on introducing a state of emergency in the city of Dushanbe, the towns and rayons of Tursunzada and Kafarnihon, and the rayons of Shahrinav, Hissar, Lenin, and Varzob as follows:

1. The curfew in the city of Dushanbe is to be from 2400 to 0500.

2. The decree of the Tajikistan Supreme Soviet Presidium dated 22 February 1993 on amendments to the decree of the Tajikistan Supreme Soviet Presidium dated 6 January 1993 on introducing a state of emergency in the city of Dushanbe, the towns and rayons of Tursunzada and Kafarnihon, and the Shahrinav, Hissar, Lenin and Varzob rayons is annulled.

3. This decree will come into force from 1 August 1993.

[Signed] Imamali Rakhmanov, chairman of the Supreme Soviet of the Republic of Tajikistan, 23 July 1993, the city of Dushanbe

Uzbekistan

Central Bank Announces Change to New Rubles

LD2607145493 Tashkent UZBEKISTAN APN in Russian 1106 GMT 26 Jul 93

[Text] [no dateline as received] The Central Bank of Uzbekistan has announced that while remaining in the ruble zone, the republic has agreements with the Government and Central Bank of Russia on the changeover of money circulation on the territory of Uzbekistan to Russian monetary denominations of the 1993 model. The changeover to this money will be implemented as the cash arrives from Russia, and meanwhile the old money will remain in use. The exchange for new denominations will be carried out without restriction through savings banks and institutions of the Central Bank of Uzbekistan locally. The time-scale for the exchange will be announced later. Bank [non-cash] settlements between enterprises of Russia and Uzbekistan, and also with states in the ruble zone, will remain unchanged.

New Foreign Affairs Minister Appointed

LD2307132693 Tashkent UZBEKISTAN APN in Russian 1100 GMT 23 Jul 93

[Text] [no dateline as received] By decree of the president of Uzbekistan, Saidmukhtar Saidqasymov has been appointed the new minister of foreign affairs of the republic. He is 46 years old, and a doctor of philosophy. Before his new appointment he was state counsellor to the president of Uzbekistan and rector of the University of World Economics and Diplomacy. Sadyk Safayev, the former minister of foreign affairs, has been appointed ambassador to Germany.

Draft Law on State Power in Localities Published

LD2407082593 Moscow Mayak Radio Network in Russian 0700 GMT 24 Jul 93

[Text] A draft law on state power in the localities was published in Uzbekistan's press today. According to this document, soviets of people's deputies will remain representative organs of government in the oblasts, rayons, and towns. It is intended to retain sessions as the main form of their work.

The khakim will become the highest official of an oblast, rayon, or town. He heads the entire representative and executive power on the corresponding territory. Officials of the state organs of government in the localities are not entitled to hold any other paid job. We received this news via RIA channels.

Private Enterprise Playing Increasing Role in Tashkent

LD2207175693 Tashkent UZBEKISTAN APN in Russian 1102 GMT 22 Jul 93

[Text] [no dateline as received] Entrepreneurial structures are playing an increasingly important role in the economy of Tashkent. There are now over 12,100 firms, small and joint enterprises, and cooperatives, the number of which is increasing each month on average by 165 in the capital of Uzbekistan. There are already over 80,000 people working in these structures. In the first half of the year they produced output in the amount of over R [rubles] 55 billion, including consumer goods of approximately R12 billion. This is almost 15 percent of the overall production of consumer goods at enterprises of Tashkent this year. In addition, over 5,000 residents of the city are officially engaged in individual labor activity today.

Government To Decrease Housing Subsidies

LD2107152593 Tashkent UZBEKISTAN APN in Russian 1102 GMT 21 Jul 93

[Text] [No dateline as received] By government decision, from 20 July, in Uzbekistan, the transfer to a contract system of payments started for servicing and maintaining the housing stock, 80 percent of which was privatized during the year. Up to the end of 1993, 70 percent of expenses for housing maintenance will be subsidized by the state, but next year, the level of subsidies is planned to be cut by 10 percent each year, making up the difference at the expense of the apartment occupants' and house owners' own money. Currently in the republic, 99.7 percent of spending on usage and repairs to engineering equipment and communal areas is subsidized and amounts to 15.7 billion rubles a year.

Uzbek, French Banks Sign Cooperation Agreement

LD2507094393 Moscow Radio Moscow World Service in English 0700 GMT 25 Jul 93

[Text] The National Bank for Foreign Economic Activity of Uzbekistan and the Credit Commercial de France Bank have signed an agreement on cooperation and technical assistance. A spokesman for the National Bank has said that the French side will help to choose future foreign partners. Among priority spheres for investments will be oil and gas extraction and processing, and development of the electronics industry, textile, light and food industries, infrastructures of tourism, and the processing of agricultural raw materials.

Armenia

Agdam Said Under 'Full Control' of Karabakh Forces

NC2307115493 Yerevan SNARK in English 1102 GMT 23 Jul 93

[Text] Agdam, July 23 (SNARK)—This morning Karabakh forces neutralizing the resistance of the Azerbaijani forces entered Agdam. It was just after the current attempt of Azeris to organize the offensive in the direction of the Askeran region of Nagorno- Karabakh.

As a result of the counterattack the Karabakh detachments surrounded from three sides the Agdam town, a center of the region, and began removing the military bases situated there.

A commander of one of the Karabakh detachments told SNARK that Agdam is under the full control of the Karabakh forces (the data received by the noon). No residents in the town. Nevertheless the Karabakh forces have left the corridor for those who are ready to leave the town. The aim of the Karabakh forces is not to capture the town but to remove the military bases from which the Stepanakert town was under the hard shelling during the period of many years.

At the same time, Armenian presidential press secretary said to SNARK that the information on Agdam capturing is not according to the reality. "Karabakh soldiers are severe fighting and rejecting Azerbaijani Army's attacks at the Agdam-Askeran region's border, however no Karabakh soldier has stepped at the territory of the Agdam district centre," the press secretary assures.

Karabakh Army Denies Occupation

NC2407163393 Yerevan Radio Yerevan International Service in Armenian 1530 GMT 24 Jul 93

[Text] Nagorno-Karabakh Republic's [NKR] defense army headquarters reported that the Azerbaijani units have not stopped the massive shelling of the eastern borders of Askeranskiy Rayon and the battlefront in Mardakertskiy Rayon, which went on all day yesterday and has been continuing since this morning.

According to the latest reports, the Azerbaijani Army subunits have now been completely repulsed from Askeranskiy Rayon's borders. A number of military bases on the borders of Agdamskiy Rayon have been destroyed. These bases were being used to subject the settlements of Askeranskiy Rayon and Stepanakert to incessant rocket and artillery shelling. A number of Azerbaijani armored cars and artillery pieces have been captured. Both side suffered losses.

The NKR defense army refutes Azerbaijani misinformation on the occupation of Agdam. This is not the first piece of disinformation disseminated by the Azerbaijani mass media. Azerbaijan uses this propaganda report whenever official Baku believes it is possible to destabilize the situation and resolve the conflict by the exclusive use of force.

The Armenian Defense Ministry press service reported that the enemy opened brief tank and artillery fire on Kayan in Idzhevanskiy Rayon yesterday evening. In an effort to raise the military spirits of their demoralized army, the Azerbaijani authorities are continuing to resort to barbaric measures, even launching air raids on peaceful settlements. Two Azerbaijani military aircraft violated our republic's air space today and dropped bombs on Vardenis and Mets-Mazra.

Yerevan Updates Situation, Fighting

NC2307195793 Yerevan Radio Yerevan in Azeri 1330 GMT 23 Jul 93

[Text] Dear listeners, we now present a report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and the border between Armenia and Azerbaijan. First, we wish to comment on Azerbaijan's effort to systematically distort the facts related to the incidents in the region.

The neighboring republic's mass media continue to maintain and improve the traditions in the former communist regime's propaganda activities. They distort the information on the incidents and misinform the people. Furthermore, they try to deny the reports by the foreign sources. The latest example of this state of affairs is the way Azerbaijan has reported the latest incidents at Nagorno-Karabakh's battlefronts. As a rule, the neighboring side tries to convince the international community that the NKR is an aggressor and a separatist entity. Regarding the people of Artsakh [Nagorno- Karabakh], Azerbaijan describes their liberation struggle as being aimed at disrupting that republic's territorial integrity.

Nevertheless, the heightened tension in Nagorno-Karabakh is the outcome of Azerbaijan's attacks and raids and uninterrupted firing on NKR's residential areas and defense positions with various types of arms. The NKR leaders have stressed several times that they support holding peaceful talks on relations between the two sides and the peaceful settlement of the problem in the Caucasus. Furthermore, they have signed international documents to that effect. However, all that has not satisfied the officials in Azerbaijan. In fact, that is one of the reasons for the continuation of the military operations.

The NKR has warned several times that its defense forces will take all necessary measures to render ineffective Azerbaijan's positions which fire on its residential areas. It is no secret that Azerbaijan's military forces converted Agdamskiy Rayon into a military base at the very beginning of the dispute. The military units and armored vehicles based in that rayon have been used in the aggressive operations against Nagorno-Karabakh. Serious damage has been caused in all the residential areas close to Artsakh's border as a result of the shooting and wide-scale attacks. Vital installations, [word indistinct] and administrative buildings, and various other establishments have

been razed, an innumerable number of peaceful residents have been killed or wounded, and tens of thousands of Armenians have become refugees. However, Azerbaijan's propaganda organs have ignored all that. They have argued about their own casualties and refugees and tried to convince the world that the Armenian side has to be blamed. [passage indistinct]

As reported earlier, the wide-scale attack launched from Agdamskiy Rayon on 21 July has worsened the confrontation and prolonged the military operation at the battlefronts in Askeranskiy and Agdamskiy Rayons. Azerbaijan intensely shelled the Armenian residential areas and Askeran city with artillery prior to the attack. The Azerbaijani units then attacked with armored vehicles. The enemy side also used its air force units. The NKR defense forces were compelled to take retaliatory measures to maintain security. They repelled Azerbaijan's attack and counterattacked to remove the deadly military positions.

We wish to stress that significant damage was caused in Stepanakert as a result of heavy arms fire during the past two days. Several peaceful residents were hurt. The combat operations continue. Three rockets were fired on Stepanakert at 1300 yesterday. The attack caused damage. Azerbaijan's military units intensely fired on Askeran at the same time. The enemy's SU-25 attack aircraft fired rockets on Askeran. Several buildings were completely destroyed and a number of peaceful people were killed or wounded.

An air attack was launched against Stepanakert once again. However, the attacking aircraft was fired on and forced to turn back. Representatives of the Red Cross and [words indistinct] witnessed the attack on Stepanakert and Askeran.

The situation has seriously worsened in other areas as well. Azerbaijan has lost many armored vehicles during the past two days. Several enemy tanks, armored vehicles, and rocket launchers were destroyed. An airplane and a helicopter were shot down.

Stepanakert was shelled with long-range artillery based in Agdamskiy Rayon today. The attack caused damage. Meanwhile, Azerbaijan's military forces have maintained their attacks along the entire front in Mardakertskiy Rayon. The NKR defense forces are trying to obstruct the enemy attacks. There have been casualties on both sides.

The situation in the border areas between Armenia and Azerbaijan has been relatively peaceful. However, the lull has been interrupted at various parts of the border. The defense positions in Sevakavan and Yerask in Araratskiy Rayon were fired on from Sadarak with armored vehicles the night before last. Tanks and mortars fired on Verin-Champarak and [name indistinct] in Krasnoselskiy Rayon on the same night. Kornidzor and Khndzoresk were fired on with mortars and machine guns yesterday morning. The Armenian side returned the fire.

In short, the situation is tense. Azerbaijan's provocations have obstructed the effort to stabilize the situation.

Foreign Ministry Statement on Azerbaijani Air Attacks

LD2507190893 Moscow ITAR-TASS World Service in Russian 1758 GMT 25 Jul 93

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 25 Jul-- The Armenian Ministry of Foreign Affairs issued a statement today on 24 July Azerbaijani aircraft attack on Vardenis rayon center in eastern Armenia. On Saturday morning Azerbaijani aircraft violated Armenia's airspace and dropped bombs on Vardenis. Six civilians were killed, and three badly wounded. The town suffered much material damage. The day before, on Friday [23 July], Kapan, another Armenian border town, was also attacked by Azerbaijani aircraft.

The Armenian Foreign Ministry considers these Azerbaijani actions to be Baku's direct attempt "to continue and expand the war," and to disrupt the CSCE peace process aimed at settling the Karabakh conflict.

Azerbaijani Planes Shot Down in Karabakh; Raid on Kapan

NC2307141093 Yerevan ARMENPRES International Service in Armenian 1242 GMT 23 Jul 93

[Text] According to information received from Nagorno-Karabakh Republic's [NKR] defense army headquarters, Stepanakert was again shelled this morning with long-range howitzers from Agdam. In the meantime, the Azerbaijanis are engaged in offensive operations all along the borders of Mardakertskiy Rayon. Both sides have suffered losses.

The enemy's attacks against the entire eastern border of NKR's Askeranskiy Rayon continued without stopping all yesterday. NKR defense army units were forced to retaliate to silence the firing positions in and near Agdam city. The border regions in Askeranskiy and Mardakertskiy Rayons and the northern parts of Martuninskiy Rayon were subjected to constant artillery and rocket shelling. Two half-ton bombs were dropped on Askeran which caused destruction and injuries. A number of settlements in Askeranskiy Rayon were shelled with surface-to-surface missiles. The casualty figures are being determined. The Karabakh air defense forces shot down an Azerbaijani MiG-21 at around 1600 yesterday. It was flying from Agdam towards Martuni. The pilot ejected and landed on territory controlled by the Azerbaijanis. An Azerbaijani MI-24 helicopter was also shot down at around the same time. It was bombing areas in Mardakertskiy Rayon. Most probably, its crew perished when the helicopter exploded.

An Azerbaijani military aircraft violated Armenia's air space at 1420 today and dropped three cluster bombs on Kapan city. The casualty figures are being determined.

The Armenian Defense Ministry announced that the Azerbaijani side will be held fully responsible for the further exacerbation of the situation.

Yerevan Accuses Baku of Trying To Wreck CSCE Initiative

LD2307211293 Moscow ITAR-TASS World Service in Russian 2018 GMT 23 Jul 93

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 24 Jul—At 1430 hours on Friday [23 July] two planes from the Azerbaijani air force, after violating Armenian air space, dropped three cluster bombs on the major rayon center of Kapan in the southeast of the republic. According to reports from official Armenian sources, four civilians were killed and 14 injured as a result of the bombing and there is serious destruction in the town.

In this connection, the Armenian Foreign Ministry issued a statement on Friday evening that resolutely condemned the violation of the state border and barbarism against the civilian population.

The statement notes that the actions by the Azerbaijani side are exacerbating the situation in the region at a time when the CSCE is making efforts that are supported by Yerevan to take the Karabakh conflict into a phase of political settlement. In the opinion of the Armenian Foreign Ministry, this is another manifestation of the ongoing struggle among the power structures in Baku, and of the uncontrollable nature of the Armed Forces in this country. The actions by the Azerbaijani side are aimed at wrecking the initiative of Minsk CSCE Group Chairman Mario Rafaelli, the Armenian foreign policy department stressed.

The Armenian Foreign Ministry has stated that the authorities of this republic reserve the right to take the severest retaliatory measures to ensure the safety of its citizens and borders.

As the statement says, the Armenian Government hopes that the international community will condemn the actions of the Azerbaijani side with the same decisiveness, and display a most serious attitude toward the belligerent forces in Azerbaijan which are destabilizing the situation in Nagorno-Karabakh and around it, and are now trying to spread this instability to the border districts of Armenia.

Karabakh Appeals to UN, CSCE on Azeri Attacks

NC2407174693 Paris AFP in English 1705 GMT 24 Jul 93

[Excerpt] Moscow, July 24 (AFP)—[passage omitted] Armenian authorities in Stepanakert, Nagorno-Karabakh's main city, denounced to the United Nations and the CSCE what it described as Azeri propaganda on the state of the conflict.

Addressing U.N. Secretary General Butrus Butrus-Ghali and CSCE representative Mario Raffaelli, interim parliamentary speaker Karen Baburyan said Azeri troops had recently launched several attacks on the enclave, the Pro-Armenia news agency reported.

He cited recent "Azeri air raids and artillery fire against Stepanakert, Askeran and other towns," the agency said.

Separatist "ripostes" were then "presented by Azeri propaganda as proof that Nagorno-Karabakh has aggressive intentions," Baburyan added.

Ter-Petrosyan Ready To Negotiate After Cease-Fire

NC2307115793 Yerevan SNARK in English 1102 GMT 23 Jul 93

[Text] Yerevan, July 23 (SNARK)—"Armenia is speaking out for an unconditional cease-fire and after it would be achieved Armenia is ready for a negotiating process", Armenian President Levon Ter-Petrosyan announced today. Speaking at the session on volunteer groups in Yerevan, the president said: "If the Karabakh movement wouldn't take place in the year 1988 then now, after disintegration of the USSR, we would have 500 thousand Armenian hostages in Azerbaijan. While these people saved and [words indistinct].

Parliamentarians Start Visit to Karabakh

NC2307141193 Yerevan ARMENPRES International Service in Armenian 1242 GMT 23 Jul 93

[Text] A group of Armenian Supreme Soviet deputies left for Nagorno-Karabakh today lead by the First Deputy Chairman of the Supreme Soviet Ara Sahakyan.

The deputies will meet the Karabakh officials and will familiarize themselves with the problems perturbing the population.

Karabakh Foreign Ministry Established

NC2307190393 Yerevan SNARK in English 1500 GMT 23 Jul 93

[Text] Stepanakert, July 23 (SNARK)—Karabakh Foreign Ministry has been created according to the decree of the Karabakh Ministers Council, and Arkadiy Gukasyan is named Karabakh foreign minister. Arkadiy Gukasyan has been recently adviser on international issues of Karabakh defence state committee chairman and Karabakh MP. In connection with the Foreign Ministry establishing, Karen Baburyan acting chairman of Karabakh parliament said to journalists that the Republic of Nagorno-Karabakh became practically a subject for international law in recent time. He added that because of extending international contacts of Karabakh and the necessity to cooperate with the countries participators in peacemaking process in Karabakh all that predetermined the creating of Karabakh Foreign Ministry.

Parliament Fails To Meet To Discuss Draft Constitution

NC2307184893 Yerevan ARMENPRES International Service in Armenian 0628 GMT 23 Jul 93

[Text], Yerevan, 22 Jul (ARMENPRES)—An extraordinary session of the parliament had been called for 22 July

by more than one-third of the deputies in order to decide upon the procedure for adopting the Armenian Constitution. However, the meeting did not take place due to a lack of quorum.

The call for an extraordinary parliamentary meeting had been preceded by a joint declaration signed by the following five Armenian political parties: The Armenian Revolutionary Federation [Dashnaktsutyun], Democratic Liberal Party [Ramkavar], Democratic Party, Republican Party, and Constitutional Rights Union. They consider the parliament's decision to invest the Constitutional Commission, which is headed by the president of the Republic, with the authority to draw up the constitution as being wrong, and believe that the draft constitution prepared by the commission definitely endangers the buds of democracy in the Republic, ignores national values, and ensures unlimited powers to the ruling political group without any counter-balances and supervisory mechanisms.

Therefore, these parties announced the formation of a "Council of Constitution of Civil Consent" to draw up an alternative draft Constitution, and that all the organizations and persons adhering to their principles could join this initiative.

The draft constitution drawn up by the Parliament's Constitutional Commission, which was set up almost three years ago by the parliament, has been published in the press for nationwide discussion. A multi-party commission has been set up to summarize the results of this discussion. The draft has been sent to the constitutional experts in Armenia and abroad for a legal examination.

The final version of the draft Constitution will be chosen by the parliament after examining the draft by the Constitutional Commission and the alternative drafts.

The president of the Republic had proposed that after these examinations the constitution be adopted through a referendum. However, the last word on the procedure for adopting the constitution also rests with the parliament, which failed to meet today due to lack of quorum.

Finance Minister: Russian Central Bank Breached Agreements

LD2507011293 Moscow ITAR-TASS World Service in Russian 2358 GMT 24 Jul 93

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 25 Jul (TASS)—"The decision of the Russian Central Bank came as a great surprise and in fact means an introduction of a new Russian national currency which was started several months ago." This statement was made on 24 July by Armenian Finance Minister Levon Barkhudaryan. The Armenian minister said that the decision of the Russian Central Bank was a gross violation of multilateral agreements signed between the governments of the sovereign states in the ruble zone. Under the agreements, the minister reminded, the country that has decided to introduce a national currency should notify the other states in the ruble zone six months in advance and after that a set of preparation measures should be implemented. The present move has in fact put these states outside the ruble zone.

The decision of the Russian Central Bank, the Armenian finance minister continued, would have consequences for the republics in the ruble zone. According to him, the worst of them are ruble expansion in other than Russian markets, an influx of the monetary mass withdrawn from circulation to these markets, migration of goods, rise of inflation and prices.

Soviet, Russian Bank Notes Remain Legal Tender

LD2607090693 Moscow Mayak Radio Network in Russian 0800 GMT 26 Jul 93

[Text] It has been announced in Armenia that all bank notes of both the USSR and the Russian Federation still in circulation are legal tender and that they must be accepted at face value throughout the republic by all enterprises, organizations, and establishments regardless of forms of ownership. This was reported by the Armenian Finance Ministry and Central Bank after a session of the country's government which analyzed the situation brought about by the Russian Central Bank's decision to exchange bank notes issued between 1961 and 1992.

Defense Chief Welcomes Russian Bases in Country

MK2407092093 Moscow NEZAVISIMAYA GAZETA in Russian 24 Jul 93 p 3

[Unattributed report under the "NEGA Reports" rubric]

[Text] Norat Ter-Grigoryants, chief of staff of Armenia's Armed Forces and the republic's acting defense minister, has declared that "as a military man he wholeheartedly hails Russian Defense Minister Pavel Grachev's statement on the deployment of Russian military bases in Armenia." General Ter-Grigoryants thinks military cooperation with Russia helpful and advantageous, and he intends to promote it. Russian troops are already on the republic's territory, and if it comes to altering their status, such as transforming them into military bases for example, Armenia for its part is ready to finance their upkeep, something which is yet to be covered, however, by additional agreements.

Azerbaijan

Armenian Forces Fighting in Streets of Agdam

NC2307153693 Baku TURAN in English 1331 GMT 23 Jul 93

[Text] Baku, July 23 (TURAN)—As the press-center of the Azeri Defense Ministry reports, last night Armenian Army started a new storm of the town Agdam. Having seized suburban villages Giyasli, Khidirli and Muradbeyli, the units of the enemy burst into the town from four

directions. Since yesterdays evening street fightings go on at the suburbs of the town. At the same time Armenian tanks try to break through to the center of the town. At the same time Agdam suffers non-stop missile-artillery shelling. This morning armoured units of the enemy of more than 20 tanks delivered a blow from the south, trying to turn the units of Azeri military forces and to cut them off the highway Agdam-Adzhabedi. The enemy to seize the villages Marzli, Nobvruzlu and Yusifdzhanli at this direction [sentence as received]. There the enemy pushed toward till the bank of the River Geokchay.

According to the materials of radio intercept, the night to the July 23 at the Agdam direction 4 battalions of the infantry (2,200 people) were transported there from Armenia. This morning they took part in the battles. All the effectives of the Second Corps of Armenian Armed Forces and extra forces transported there: 4 infantry regiments (6,000 people), 2 tank battalions (about 60 armoured equipment) and 5 artillery divisions take part in the storm of Agdam.

Move From Agdam Toward Agdzhabedi

NC2307152093 Baku TURAN in English 1331 GMT 23 Jul 93

[Text] Baku July 23 (TURAN)—As press-center of Azerbaijani Defense Ministry informed TURAN agency, this noon Agdam town had been captured by the units of Armenian national army. As it was [words indistinct] enemy has taken decisive advance on this town, situated outside of Nagorno-Karabakh, from three directions. According to the latest information, Armenian forces are pushing into Azerbaijani territory in Agdzhabedi direction. There is no information about dead citizens.

Agdam town was the largest settlement of Karabakh with population of 90 thousand people. Total population of Agdamskiy region amounted 150 thousand people plus 50 thousand refugees from Nagorno- Karabakh.

Start Offensive on Fizuli, Ter-Ter

NC2307154393 Baku TURAN in English 1331 GMT 23 Jul 93

[Text] Baku July 23 (TURAN)—Today at 5 a.m. Armenian forces started an offensive in Fizuli direction. Since 5.30 the town suffers an intensive artillery shelling from a distance of 5-6 km. There are a lot of destructions in the town, 11 people were killed and 26 were wounded. The shellings continue.

At the same time the enemy started an offensive at the north of Karabakh in the direction of the town Ter-Ter. The artillery of the enemy intensively shells the inhabited blocks of the town, there are serious destructions there.

Reportedly Encircle Fizuli

NC2307164493 Baku TURAN in English 1331 GMT 23 Jul 93

[Text] Baku, July 23, (TURAN)—As press-centre of Azerbaijani Defense Ministry informed, this noon Fizuli town, situated in the south of Nagorno-Karabakh had been encircled by Armenian forces. As it was reported before, this morning enemy has taken large-scale offensive on Fizuli.

According to the latest information, Armenian units cut off the road Fizuli-Dzhebrail and were holding bombardment on settlements of those regions. If the road be deblockaded, fate of Zangelanskiy, Kubatlinskiy and Dzhebrailskiy regions of Azerbaijan, which are connected with the rest of Azerbaijan only through this motor highway, would be under the question.

[ITAR-TASS World Service in Russian at 1118 GMT on 24 July adds: "Fizuli, the administrative center of Fizulinskiy Rayon in southeast Azerbaijan, was by this morning blockaded on three sides by Armenian armed formations. The Azerbaijan Defense ministry has stated that the town is being subjected to intensive rocket and artillery bombardment and enemy armored subunits have reached its outskirts. The road linking the rayon center with neighboring Dzhebrail, which is also coming under fire from various kinds of weapons, has been severed.

["In a telephone conversation with the ITAR-TASS correspondent, the duty officer on the staff of the head of executive authority in Fizulinskiy Rayon reported that the town is practically destroyed, its electricity and water lines have been damaged, and the three villages situated nearby that were seized the previous day by Armenian subunits have been burned down. The population of the rayon centers have been fully evacuated and telephone communication with all the populated localities situated in the Dzhebrail direction has been severed.

["Judging by the latest military communiques, a complex situation had also come about by noon today in the north of the conflict zone where two Azerbaijan rayons—Agdzhabedinskiy and Bardinskiy Rayons—situated respectively 60 km and 70km from Nagorno-Karabakh are threatened with encirclement. According to information from the defense department the enemy is keeping up its attempts to cut off the highway connecting them. The rayon center of Berber in northern Karabakh and also part of the territory of the Nakhichevan Autonomous Republic have also been subjected to continuous attacks since last night.

["Except for a few villages the territory of Agdamskiy Rayon, which comprises over 1,000 square kilometers, has since Friday been controlled by Armenian formations."]

Aliyev, Guseynov Visit Frontline Refugee Base

LD2607090593 Moscow ITAR-TASS in English 0853 GMT 26 Jul 93

[ITAR-TASS and AZERTAC report]

[Text] Baku July 26—After the Armenian armed forces captured the city of Agdam in Azerbaijan, the administrative centre of an Azeri district called Barda, located 70 kilometers from Nagorno- Karabakh, became a major frontline city and a shelter for tens of thousands of refugees.

Last Sunday, Azeri ministers and department heads met in the city to discuss the building of the national army, measures to strengthen defenses along the entire frontline and providing accommodation for refugees from the Agdam and other districts of Azerbaijan.

Acting president Geydar Aliyev chaired the conference, which was also attended by Prime Minister Surat Guseynov.

Aliyev told journalists after the conference that numerous meetings with refugees from Agdam during his Sunday tour of the Barda and adjacent Agdjabedi districts left an oppressing impression on him both as a human being and a statesman.

According to Aliyev, the capture of the Agdam district and its administrative centre which have long been under virtual siege is a heavy blow to the Azeri people. It is now necessary to do everything possible to help people who lost their homes overnight. Around 15 thousand people (10 per cent of all inhabitants of the Agdam district) are now living in building ill suited for housing and in tents in the Barda district, where the average temperature reaches 40 degrees Celsius these summer days.

Prime Minister Guseynov described the capture of Agdam by the Armenian forces as a temporary defeat of the Azeri armed forces. According to Guseynov, the republic's new leadership, who came to power at a very difficult time only a month ago, need time to organize rebuff. Guseynov said the most important task is to mobilize of "a combat-effective army capable of winning victories and recapturing Azeri territories".

'Text' of Aliyev Appeal to UN on Armenian Aggression

NC2407202793 Baku Radio Baku Network in Azeri 1700 GMT 24 Jul 93

["Text" of appeal by Geydar Aliyev, acting president and chairman of the Supreme Soviet, to the chairman of the UN Security Council and the UN secretary general; date not given]

[Text] I have been compelled to write to appeal to you because of the serious repercussions of Armenia's maintaining its intensified aggression against Azerbaijan in an attempt to fragment my country's territory. Considering the concepts of international security and cooperation and relying on the CSCE members' authority and tasks, Azerbaijan, which has complied with the principles and norms of the international community, has agreed to CSCE mediation for the speedy resolution of the bloody dispute Armenia has imposed on our Republic. During the long and difficult process to settle the problem, the Government of Azerbaijan has displayed [words indistinct] and made a strenuous effort to quickly resolve the dispute, find a way to end the bloodshed, and establish a sound basis for peaceful talks. However, the fact that Armenia's supporters in the world have grossly violated their obligations toward Azerbaijan has rendered our effort ineffective.

More than a year has passed since the CSCE Ministerial Council adopted a decision related to the Minsk Conference. However, we are further away from [word indistinct] than ever before. We used to mention in the past that Shusha and Lachin's liberation was essential and the situation that existed when the CSCE Ministerial Council adopted its decision should be restored. We upheld the view that that was the only way to maintain the Minsk Conference. However, more than 17 percent of Azerbaijan's territory has been occupied. The entire mountainous region of Karabakh has been occupied. The southern part of Azerbaijan's Lachinskiy Rayon was occupied in May 1992 and the northern part in April 1993. Kelbadzharskiy Rayon and several towns in Nakhichevan Autonomous Republic and Azerbaijan's Kazakhskiy, Fizulinskiy, Zangelanskiy, and Agdamskiy Rayons have been occupied. The amount of land occupied in the republic totals 503 (?settlements). The Republic has 567,000 refugees and displaced people.

Armenia first launched a political onslaught by adopting treacherous decisions to annex Daghlyk Karabakh. It then dispatched [word indistinct], terrorists, and arms to that area. It is engaged in wide-scale military activities in Azerbaijan. It has disregarded the CSCE and UN calls and resolutions, including UN Security Council Resolution 822, which made a meaningful call for the withdrawal of the occupation forces from Azerbaijan. Furthermore, the CSCE effort to have that resolution realized has been obstructed as a result of the Armenian side's refusal to fulfill the legal [words indistinct] and move to put forward several conditions.

As a result of Armenia's activities, Mario Raffaelli's latest visit to the region has failed to create a basis for the hope that UN Security Council Resolution 822 will be implemented without loss of time and that bloodshed will be quickly halted. The same applies to Mario Raffaelli's visits to the region.

The Armenian side's claim that the Armenian military units active in Daghlyk Karabakh are not under Armenia's control is completely unfounded. Armenia uses Lachinskiy Rayon, which it has annexed, to dispatch heavy arms, military equipment, and reinforcements to Daghlyk Karabakh. It also uses that rayon to give direct guidance to military operations.

Armenia launched a new attack after Mario Raffaelli fulfilled his mission. The Armenian Armed Forces have occupied Agdam. The treacherous move has dealt a severe blow to the peace process, which has not yet commenced. The Government of Azerbaijan informed the UN Security Council earlier that a delay in the process would create a

dangerous atmosphere that might lead to a more serious tragedy. Urgent measures must be taken to halt the aggressor, prevent bloodshed, and liberate Azerbaijan's usurped territories.

[Signed] Geydar Aliyev, acting president and chairman of the Azerbaijan Supreme Soviet

Foreign Ministry Accuses World Community of Indifference

LD2507170093 Moscow ITAR-TASS World Service in Russian 1624 GMT 25 Jul 93

[By AZERTAC correspondent for TASS]

[Text] Baku, 25 Jul—The Azerbaijani Foreign Ministry has called an "an act of cynicism and hypocrisy" the position of Armenia that chose to ignore peace initiatives aimed at settling the Armenian-Azerbaijani conflict, and the continuing aggression in Azerbaijan's Agdamskiy and Fizulinskiy Rayons. A statement by the Foreign Policy Department circulated today by AZERTAC stresses: "The implementation of the aggressor's predatory plans would have been inconceivable if the world community had not taken such an indifferent attitude to what is being done by the Armenian and Nagorno-Karabakh leaders, supported by it with regard to Azerbaijan." It would be naive to think, the statement says, that the Azerbaijani people will ever accept the fact that their land is occupied.

Tehran Cites Defense Ministry on Agdam Situation

LD2407111993 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0930 GMT 24 Jul 93

[Text] Conditions are still critical on the battle fronts of Armenia and Azerbaijan. According to a report by our correspondent in Baku, Armenian forces, after occupying Azerbaijan's city of Agdam, have started a fierce attack from two axes to lay siege to Fizuli. Our correspondent reports:

[Unidentified correspondent, by telephone] Latest reports from the Defense Ministry of the Republic of Azerbaijan indicate that armored units of the Armenian Army have been trying since this morning to advance along the roads from Agdam to Agjabadi and Agdam to Bardeh. This action is seriously threatening the security of refugees from Agdam who have settled in tents along those roads, at a time when there is no possibility of a rapid transfer of the war refugees.

In another development, since last night the city of Fizuli has been under artillery fire from the surrounding heights, which are in Armenian forces' hands. Armenian artillery has also been shelling Goytappa, Shirvanli, and Qaradagli villages where Agdam war refugees have sought shelter.

The Azerbaijani Defense Ministry has announced: Large areas of Agdam city, taken yesterday evening by the Armenian forces, have been burning.

Iranian Airspace Violated by Warplanes From Azerbaijan

LD2407122893 Moscow Mayak Radio Network in Russian 1200 GMT 24 Jul 93

[Text] Two Russian-made fighter bombers have violated Iranian airspace near the town of Ardabil in the north of the country. It is reported that the intruders broke the sound barrier over northern Iran. The aircraft then entered Azerbaijani airspace. I should specify that Russian-made does not necessarily mean Russian.

U.S. Reaction to PFA Incident Motivated by Oil 'Battle'

PM2307160893 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 93 First Edition p 6

[Article by observer Aleksandr Krasulin: "The West Is Getting Excited About the Smell of Oil Again"]

[Text] The Western mass media transmitted alarming news from Azerbaijan on 25 July: The headquarters of the People's Front of Azerbaijan (PFA) in Baku has been routed. A number of officials were arrested, and some 1,500 members of the organization, who had gathered outside their headquarters for a rally, were dispersed with rubber nightsticks by the republic security services, who fired their automatic weapons into the air as a warning. Some time later they burst into the building again and detained a few more people.

Human rights campaigners in the United States reacted instantaneously, without even waiting for the authorities' official reports. And although official Washington has not yet threatened bombings on the Baghdad model, the U.S. State Department has stated that it is "profoundly concerned about the routing of political opposition in Azerbaijan, and called on the republic leadership to adhere to democratic principles and respect human rights and the power of the law."

We contacted our correspondent in Baku to clarify the details of the incident and its causes. He reported that at a session on Friday the National Assembly banned the rally planned by the People's Front for 17 July because of the state of emergency in the republic. Furthermore the PFA was instructed to surrender its weapons. According to some estimates, the number of automatic weapons and grenade throwers stockpiled in the headquarters building was some 2,500 items, not counting the ammunition. A few days ago, as a result of careless storage of weapons, there was an explosion in one of the rooms at the headquarters.

Subunits of the security forces and police were therefore carrying out an operation to confiscate illegal weapons, detain Front members suspected of committing crimes, and prevent the holding of the unauthorized rally. The action by the law enforcement organs had no political aims.

Why did a routine police operation in the Transcaucasian republic prompt such a rapid and negative reaction in the United States?

It is easy to solve this riddle if you recall that Azerbaijan's main wealth is oil. And the smell of oil has always attracted the business big shots who manipulate the politicians' actions. A consortium of eight Western firms was to exploit three deposits containing all Azerbaijan's prospected oil reserves. But the smooth course of events was disrupted by the rebel colonel Surat Guseynov.

The U.S.-Turkish statement following Elchibey's flight to Keleki also becomes comprehensible in this context. Baku was still wondering where the president had gotten to, when Ankara and Washington hurried to assure the world that they still recognize A. Elchibey as the legitimate president of Azerbaijan.

The National Assembly deemed Elchibey and a number of ministers belonging to the People's Front to be guilty in connection with the Ganja tragedy. However, this does not mean that the PFA and its foreign patrons are prepared to capitulate and let go of a tasty morsel. On the night of Sunday to Monday, that is, the day after the first arrests at the Front headquarters, a grenade was thrown into a police department building by persons unknown. Eight people were injured in the explosion. According to the story released by a number of official bodies, the crime was committed by members of unlawful PFA armed formations.

Nor is Elchibey about to accept defeat. His special envoy Ali Kerimov set off for Ankara, where he stated that he had come to enlist support for the ousted president. He held talks with the Turkish prime minister, his [as published] deputy, and representatives of the governments of a number of Western countries. Following these consultations he expressed the hope of being able to convince European countries to include on the agenda for the forthcoming CSCE meeting a "resolution in support of Elchibey and condemning the present antidemocratic processes in Baku."

He warned his interlocutors that Geydar Aliyev and Surat Guseynov are simply testing the West's reaction to such acts. And if there is no reaction, then antidemocratic processes in the republic will continue to develop.

It seems that Elchibey himself also has no intention of remaining in the shadows. In an interview for the WASHINGTON TIMES he detected behind the events in Baku and the actions of Geydar Aliyev—whom, incidentally, he himself had invited to the capital—the... "hand of Moscow," which wants to preserve its imperial positions in the republic. The point is that he was about to leave for London to sign agreements on the exploitation of Caspian oil fields. At that very moment "Russian-trained forces" forced the president to flee to Keleki.

Although, after the visit to Baku, Yerevan, and Stepanakert by Mario Rafaelli, chairman of the Minsk CSCE conference, certain optimistically inclined observers hurried to express hopes of a speedy end to the war in Nagorno-Karabakh, the battle for Azerbaijani oil appears to be only just beginning seriously.

PFA Resorts to Force in Attempt To Boost Aliyev

MK2307114093 Moscow SEGODNYA in Russian No.36, 23 Jul 93 (signed to press 22 Jul 93) p 4

[Mekhmat Gafarly report: "Azerbaijani People's Front Changes Tactic. Government Accuses It of Terrorism"]

[Text] Leaders of the People's Front of Azerbaijan (PFA) who have not accepted being ousted from power plan to stage a comeback by using force. The "Gray Wolves" military-political party, which comprises around 8,000 members, has promised them its support. Although the party's membership has dwindled recently (in March the "Gray Wolves" numbered 15,000 people), the remaining activists are capable of committing any terrorist acts. The Azerbaijani Internal Affairs Ministry believes that the PFA's military formations have already advanced on these objectives; the other day they attacked a police station in the Yasamalin area of Baku, wounding several policemen. Similar incidents have occurred in Baku's Khatain and Narimanov Rayons. Although the PFA would not claim responsibility for the incidents, the republic's law-enforcement agencies are certain that "this organization is gradually turning into a terrorist one." "The Association of Baku and Adjacent Villages," loyal to the PFA, has already made a decision to expel representatives of the new authorities from villages near Baku. This organization, too, has its own military formations. If they join forces, the new authorities will find it hard to deal with them. The PFA's military formations have already assumed full control over Ordubad Rayon of Nakhichevan. Local observers attribute this "new dynamism" of the PFA to full-blooded repressions launched against PFA members and political organizations supporting the People's Front after the change of guard in Baku.

PFA leaders themselves believe that the current authorities are deliberately pushing them toward such undemocratic methods of political struggle. Pro-PFA newspapers note that at present PFA members and political leaders sympathizing with ousted President Abulfaz Elchibey have effectively been pushed into a corner. The AYDYNLAG (CLARITY) newspaper, which toes Aliyev's line, illustrates the PFA's current position by mathematical methods: "PFA+"Gray Wolves"=Path Toward Terrorism."

The Baku authorities have accused the PFA of organizing "attempts" on Geydar Aliyev's life. These attempts, however, have only served to boost the acting president's approval rating. According to the "Araz" Azerbaijani radio, an opinion has gained ground in the republic that Aliyev is the nation's savior and that Azerbaijan's enemies want to remove him from the political scene. According to that same radio, currently 92 percent of the republic's

population support Geydar Aliyev, compared with no more than 60 percent before the "assassination attempts."

Old Ruble Banknotes Withdrawn From Circulation

LD2507163793 Moscow ITAR-TASS World Service in Russian 1550 GMT 25 Jul 93

[By AZERTAJ-TASS correspondent Alla Baula]

[Text] Baku, 25 Jul—Rubles of the 1961-1992 type have been banned as a means of payment in Azerbaijan not as of tomorrow but as of today. This decision was adopted by the republican government in connection with the Russian Central Bank's notification and, the government clarified, "to ensure stability of the internal market." The Azerbaijani National Bank has been instructed to draw up within two days a procedure and forms of exchanging the 1961-1992 rubles for the national currency, the manat. At the same time, the republican government assured citizens that it would take all measures in order that the forthcoming exchange does not harm their interests.

Despite these assurances, however, the panic that started yesterday is not abating. Crowds have been queuing to deposit cash from early morning to savings banks that closed yesterday afternoon. This afternoon some citizens were besieging the republican National Bank demanding that the exchange procedure should start today.

Perhaps the only people who have remained unperturbed by the government decision banning the ruble were off-license stalls. They continued to sell their wares for the "abolished" banknotes.

Georgia

Shevardnadze Announces Draft Cease-Fire Accord

LD2307155493 Moscow ITAR-TASS in English 1528 GMT 23 Jul 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi July 23 TASS—The warring parties have coordinated a draft agreement on cease-fire in Abkhazia and on control over its fulfillment, Georgian head of state Eduard Shevardnadze told a press conference on Friday [23 July].

The final decision, however, rests with the Georgian parliament which will vote on the draft on Friday evening.

Georgia has made substantial concessions, according to Shevardnadze. Particular, it satisfied the demand for restoration of the Abkhazian bodies of power after the cease-fire.

Many Georgian parliamentaries consider the draft unacceptable. In their opinion, if Vladislav Ardzinba, chairman of the Abkhazian Supreme Soviet, returns in Sukhumi, this may aggravate the conflict anew.

'Ready' To Sign Agreement

LD2407152893 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 24 Jul 93

[Excerpts] Today, 24 July, Eduard Shevardnadze, chairman of the Georgian parliament and head of state, met a delegation from the German Bundestag. [passage omitted]

Regarding the situation in Abkhazia, Eduard Shevardnadze said that the main problem is still a settlement of the conflict started by Abkhaz separatists who are supported by Russian reactionary forces. Shevardnadze noted that, unfortunately, measures taken so far have not yielded the expected result. Agreements reached in Moscow on 3 September and 14 May remain mere paper. This proves that there are great forces in Russia that are not keen on stopping the fratricidal war.

Presently, a third attempt is being made. A draft agreement on a cease-fire in Abkhazia and mechanisms for monitoring its implementation has been drawn up, and I am ready to sign it, Eduard Shevardnadze said, although it is to a certain extent unacceptable for Georgia, especially the part that says that Georgian troops should be withdrawn from the conflict zone.

But on the other hand, the war that carried away so many lives and brought so much suffering and mishap to the people must end, Eduard Shevardnadze emphasized. It is a heavy burden on the economy of the republic and on the lives of the people, many of whom are in a rather difficult situation. The war being ended, we will be able to escape from this crisis and to use the credits granted to Georgia by Germany and other countries who held out a hand of assistance in present hard times. [passage omitted]

Issues Statement

LD2507142493 Tbilisi Radio Tbilisi Network in Georgian 1200 GMT 25 Jul 93

[Text] Eduard Shevardnadze, chairman of the Georgian parliament and head of state, has issued a statement which says the following:

After the draft Abkhazian cease-fire agreement and mechanisms to monitor its implementation were discussed by the Georgian parliament, I made the decision to entrust Georgian plenipotentiary representatives with signing this agreement, after introducing necessary amendments.

For eleven months, since August 1992, since the beginning of the armed conflict, we have been searching for ways to reach peace, to halt the fratricidal war. We knew in the very beginning and tried to convince everyone that there could not be a victor in this war and that no one would be victorious. It is impossible to achieve victory in the war, which has already caused bloodshed and confrontation aimed at the mutual destruction of the people of one land and one state.

The only acceptable victory in this war is peace and a halt to the bloodshed of the people and destruction of the towns, villages, and living environment.

Our efforts to achieve peace are represented by several documents about the cease-fire; by quite successful attempts to draw the attention of the international community to the Abkhazian conflict; by using the authority of the United Nations and other international organizations; and by efforts to reach the desired result through political methods. At our initiative the U.N. Security Council discussed this issue, sent international observers to the conflict zone, and passed an appropriate resolution. Practical measures have been taken in this respect.

Mr. Shevardnadze's statement then says:

At the same time, with Russia's mediation and on the basis of the 14 May agreement between me and President Yeltsin, trilateral talks to work out actual ways to implement the cease-fire and mechanisms for monitoring its implementation have resumed. There is no doubt that Russia's positive role has increased. Its top political leadership has precisely determined its position: Russia is interested in preserving the territorial integrity of Georgia and stability in our country.

The statement says in conclusion that the shooting should be halted first in the hearts of the people who are involved in this tragic confrontation. This is difficult but necessary, and therefore possible. I want to believe that everyone will realize this, that we will coexist peacefully on one land as before, and that we will not perish on this land.

Appeals to Georgians, Abkhazians

LD2507160393 Moscow ITAR-TASS World Service in Russian 1220 GMT 25 Jul 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 25 Jul—The conditions have now developed for us to begin talking about peace and reconciliation in Abkhazia, Eduard Shevardnadze believes. He expressed this view in his appeal today to the Georgian and Abkhaz peoples. In the appeal the Georgian head of state called on the two peoples to "display the greatest responsibility and goodwill" in order to restore peace in Abkhazia.

At the same time Eduard Shevardnadze claims that "an external force is most to blame for deepening the hostility between us," and that "the common enemy of the Abkhaz and Georgian peoples will stop at nothing in order to realize its perfidious designs." Therefore the main thing now is to achieve a cease-fire, establish strict monitoring, and avoid mutual provocations, an effective role which can be played by the UN and Russia, the head of state said.

The appeal says that "the joint efforts of the Abkhazians and the Georgians should restore war-torn Abkhazia and confirm its statehood within a united Georgia, where we must create all the conditions for the normal existence of people of all nationalities."

Lawmakers Postpone Debate on Cease-Fire Agreement

LD2307190993 Moscow ITAR-TASS in English 1833 GMT 23 Jul 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi July 23 TASS—Georgian lawmakers have postponed the discussion of truce agreement in Abkhazia until Saturday [24 July]. The parliament was supposed to discuss the issue today, following a meeting of the warring parties where they coordinated a draft agreement on ceasefire in Abkhazia.

Georgian leader Eduard Shevardnadze said that Georgia had made substantial concessions to Abkhazia. Particularly, it agreed to meet Abkhazia's demand to restore the legitimate bodies of power in Sukhumi after the ceasefire agreement comes into force.

Passions flew high at Friday's session when some deputies demanded a resignation of the government. The conflict broke out during debates on the draft budget for 1993 which envisaged a budget deficit of 218 billion roubles. This would further aggravate the economic and financial situation in the republic which has already slid into a hyperinflation caused by the replacement of Russian roubles with Georgian national bank coupons.

The draft was returned for correction after which it will be resubmitted to the parliament for approval.

Divided on Cease-Fire

LD2407165293 Tbilisi First Program Television Network in Georgian 1600 GMT 24 Jul 93

[Excerpts] As you know, today a closed session of the Georgian parliament discussed a draft cease-fire agreement in Abkhazia. [passage omitted]

The session has just ended. The Georgian parliament discussed a draft cease-fire agreement in Abkhazia. Deputies were divided on the issue of signing the agreement. No voting took place on the issue.

In accordance with the law on state government, the head of state of the Republic of Georgia must take a personal decision on this issue.

Address People on 'Fratricidal War'

LD2507100693 Tbilisi Radio Tbilisi Network in Georgian 0200 GMT 25 Jul 93

["Address to all citizens of Georgia by members of the Georgian parliament"—read by announcer]

[Text] Compatriots: A fratricidal war has been going on in Abkhazia for 11 months. We have found ourselves dragged into this war. The internal war has taken away the spiritual

and material values created by the coexistence of Georgians and Abkhazians and the lives of hundreds of people. It has left us with mutilated young men and homeless people.

The wisdom and reason shown by the Georgian people in all times of historic hardship prompts us to seek honorable ways out of the war. It is primarily an internal issue for our state and must be settled through our efforts and mutual agreement.

The war cannot be ended without a cease-fire. Fratricidal wars have always been ended with mutual forgiveness. Now, in this difficult period, when thousands of young men are ready to sacrifice their lives in the fight for the territorial integrity of the country, every inhabitant of Georgia is enduring hardship and starvation. The Sukhumi defenders are examples of this irreproachable spirit.

The members of parliament are taking a historic responsibility. We are asking the head of state to conduct cease-fire talks with the Abkhazian side. We hope that every citizen of the country really interested in its well-being will treat this decision with understanding.

Abkhaz Sources Deny Reports of Peace Accord

LD2607094393 Moscow ITAR-TASS in English 0918 GMT 26 Jul 93

[By ITAR-TASS corespondent Irina Shchegoleva]

[Text] Sochi July 26 TASS—The press service of the Supreme Soviet of Abkhazia has denied reports about an agreement being prepared for signing with Georgia to end combat activities in the area of the conflict between Georgia and Abkhazia.

The government of Abkhazia has not yet received the draft agreement with corrections made at a Georgian parliament session, sources at the press service told ITAR-TASS.

Meanwhile, the situation in the conflict zone remains extremely complicated. Georgian and Abkhazian sources report that battles are going on north of Sukhumi. The press centre of the Georgian troops deployed in Abkhazia reports that the Abkhazian armed formations have stepped up activity at the Shroma-Akhalsheni frontline.

According to the same sources, last night the Abkhazian forces began to move closer to Sukhumi but were repelled and no positional changes occurred along the Gumista River.

According to the press service of the Supreme Soviet of Abkhazia, Abkhazian forces captured the Shroma height in the past 24 hours and advanced towards their southern slopes.

The same source said Georgian troops have been blocked near Akhalsheni and the Apianda mountain and cannot maneuver.

Military Denies 'Vesti' Report on Agreement

LD2507101093 Tbilisi Radio Tbilisi Network in Georgian 1950 GMT 24 Jul 93

["Statement by the press center of the Georgian Armed Forces"—read by announcer]

[Text] On 24 July the "Vesti" program, referring to the press center of the Georgian Armed Forces in Abkhazia, reported that the Georgian side had approved and signed the draft trilateral agreement.

The military press center does not exercise the responsibility of making public political information. The press center has not issued this information and it is incomprehensible why "Vesti" ascribed it to the military press center. We are positive that it is either an unintentional mistake or intentional misinformation.

Yeltsin Envoy Pastukhov on Russia's Mediation Mission

LD2307133393 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 23 Jul 93

[Text] Boris Pastukhov, the Russian president's personal envoy, and Russian Federation deputy foreign minister, arrived in Batumi yesterday. At the airport he was met by Aslan Abashidze, chairman of the supreme council of Ajara. They had a conversation after which Pastukhov gave an interview to journalists.

Our mission, he said, is that Russia should play a role of mediator to the end in the Georgian-Abkhaz conflict. We must find the ways of alleviating the tension connected with the cease-fire. It is impossible to get an in-depth picture of current events while sitting in Moscow or Tbilisi. Therefore, we are trying to go to different regions, arrange meetings, compare different viewpoints, and mobilize all Russia's healthy forces, and the potential of Georgia's peace-loving forces, to resolve regional conflicts. I will not make it a secret—we came to Ajara to see why this region of Georgia is more stable and strong. We would like also to see how the Russian forces' representatives are getting along here. Probably there is a reciprocal goodwill here which is very precious to us. Now the most important thing is to stop this war, this fratricide which is damaging Georgia and Russia greatly. We must bring those wonderful Russo-Georgian relations which they have always shared out of this deadlock.

Russia's Foreign Minister Andrey Kozyrev presented Russia's concept on the Caucasus at the meeting between heads of the North Caucasian republics and regions in Sochi. A point of view on Russia needing good-neighborly relations with Georgia and vice-versa is expressed clearly in the concept. I have not come to Ajara to stress Russian-Ajarian relations, we have always supported Georgia's territorial integrity and Russo-Georgian good-neighborly relations.

In the meantime, in Pastukhov's opinion, a Russian consulate may open in Batumi.

Meets With Shevardnadze, Comments

LD2607122493 Moscow ITAR-TASS in English 1152 GMT 26 Jul 93

[By ITAR-TASS correspondent albert Kochetkov]

[Text] Tbilisi July 26 TASS—Georgian leader Eduard Shevardnadze today met with Russian President Boris Yeltsin's personal envoy to talks on Abkhazia Boris Pastukhov to discuss the changes made by the Georgian side in the draft agreement on ceasefire in Abkhazia and the mechanism of compliance verification. The final version of the text will be handed over to the Abkhazian side on Monday.

Hot on the heels of the conversation with Shevardnadze and before leaving for Abkhazia, Pastukhov spoke to journalists. He said work on the agreement was in the home stretch. "We hope that the home stretch we have reached will not be too long," Pastukhov said.

According to him, the changes made by the Georgian side specify separate provisions of the document but in no way alter its constructive substance and principal provisions.

Along with this, Pastukhov said the phrase "the best is an enemy of the good" is quite applicable to the present situation, because any delays with the signing of the agreement put off the settlement of the conflict.

The Russian presidential envoy said the Abkhazian ceasefire agreement would probably be signed on Tuesday, but refused to elaborate. He did not say where the agreement would be signed and by whom.

UN Mission Meets Abkhaz Leader Ardzinba

LD2507003093 Tbilisi Radio Tbilisi Network in Georgian 1600 GMT 24 Jul 93

[Text] A UN mission led by the secretary general's representative, George Sherry, arrived in Abkhazia today to resolve issues connected with preparatory work to be carried out before UN observers are deployed in the area of the Georgian-Abkhaz conflict.

The members of the mission had a meeting with the chairman of the Supreme Soviet of the Republic of Abkhazia, Vladislav Ardzinba. The UN representatives told him that military observers would arrive in Abkhazia only if a cease-fire agreement between the Abkhazians and Georgians was reached.

Vladislav Ardzinba told them that the Abkhaz leadership welcomed the draft agreement on ending the war, which envisages a cease-fire and later a withdrawal of Georgian troops from Abkhazia and deployment of peacekeepers, as well as a return of the legitimate bodies of power to Sukhumi.

If the Georgian side does not sign this agreement, it will be problematic to reach an agreement ending the hostilities. This will not change the current situation when Abkhazia is divided into two parts along the Gumista river, believes the Abkhaz leader. He said that as soon as Georgian troops pulled out and the parliament of Abkhazia returned to Sukhumi, everything would be done to help the deployment of UN observers.

The leader of the parliament of Abkhazia confirmed that he would not sign an agreement that would envisage only a cease-fire.

'Heavy Fighting' Reported in Shroma

LD2307122793 Moscow ITAR-TASS World Service in Russian 1005 GMT 23 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi, 23 Jul—Both Georgian and Abkhazian sources have today reported heavy fighting in the Shroma section of the Gumista front. As the press service of the Abkhazian Supreme Soviet has reported, during the last 24 hours Georgian troops have been trying to thrust the Abkhazian military formations back behind the Gumista river by attacking them from two sides. At the same time fighting broke out on the principal heights surrounding Sukhumi. According to an Abkhazian source, the Georgian troops have retreated, suffering heavy losses.

According to the press center of the Georgian troops deployed in Abkhazia, there have been no positional changes on the Gumista front. Reports are coming in of sporadic shelling of Sukhumi in the past 24 hours and attempts by the Abkhazian side to land its marines in Sukhumskiy and Ochamchirskiy Rayons. This was prevented by the Georgian Armed Forces' coastguards.

The Sukhumi authories have approved the text of the treaty on a cease-fire and the demilitarization of the conflict zone agreed in Tbilisi with the participation of Boris Pastukhov, personal envoy of Russian President Boris Yeltsin, the staff at the press center of Georgian troops stationed in Abkhazia reported to the ITAR-TASS correspondent. The press service of the Supreme Soviet of Abkhazia stated that the treaty has not yet arrived in Gudauta.

Boris Pastukhov, deputy minister of foreign affairs of Russia, is expected in Sukhumi and in Gudauta today.

Two Su-25's Reportedly Drop Bombs on Sukhumi

LD2507140193 Tbilisi Radio Tbilisi Network in Georgian 1200 GMT 25 Jul 93

[Text] Here is Dmitriy Kikvadze, head of the CONTACT INFORMATION AGENCY:

[Kikvadze] At 0530 on 25 July, two air force SU-25's flew at a low altitude over Sukhumi and dropped bombs in Kelasuri District. Several buildings burned down as a result of the explosion.

At dawn the opposing side attempted to attack a village in Tamysh but the attack was repelled by Georgian armed units.

We have just received information that no positional changes occurred today along the whole front line. Trench fighting continues in the area of Shroma and Akhalsheni villages, with artillery in use.

At 1430 the Abkhazian side shelled Sukhumi with grad launchers and howitzers. Retaliatory shelling against the firing points of the opposing side stopped the shelling of the town.

We did not manage to get in touch with Zhiuli Shartava [newly appointed chairman of the defense council and the Council of Ministers of Abkhazia]. Due to the shelling, he was out in town. He is still out because a group of parliament members from Tbilisi is arriving in Sukhumi to examine in situ what reaction will follow the signing of the agreement. It is obvious that Mr. Shartava could not be in his office.

Abkhaz Sources Report Fighting Around Sukhumi

LD2507103093 Moscow ITAR-TASS World Service in Russian 1005 GMT 25 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi, 25 Jul—Intense fighting took place yesterday on the front around Sukhumi. An ITAR-TASS correspondent was told by the press service of the Abkhazia Supreme Soviet that Abkhaz forces had taken the Akhbyuk height and dug in there. The same source said that Abkhaz armed formations blocked the roads and other approaches to the Apinda height. The armed forces of the Republic of Abkhazia are moving towards the Yashtkhua Rkhu elevation.

Georgian forces attempted to mount a counter-attack yesterday and last night, after concentrating men and equipment around the lower bridge on the Gumista front. According to an Abkhaz source, the attack was repulsed.

According to information from the press service of the Abkhaz Supreme Soviet, the text of the agreement on a cease-fire and demilitarization of the conflict zone in Abkhazia, which was examined yesterday by the Georgian parliament, has still not arrived in Gudauta. Press service employees say that no one in the Abkhaz leadership knows what changes were made to the initial draft of the document. At the same time, the Abkhaz leadership considers as before that an end to the war is only possible if the following conditions are observed: withdrawal of Georgian forces from the territory of the republic, a return to Sukhumi of the legally elected government, and insertion of Russian peacekeeping forces into the conflict zone.

Shevardnadze Flies to Sukhumi Amid Fighting

LD2507192993 Moscow ITAR-TASS in English 1909 GMT 25 Jul 93

[By Georgian News Agency correspondent]

[Text] Tbilisi July 25 TASS—In connection with the aggravation of the situation in the zone of combat operations in Abkhazia, head of the Georgian state Eduard Shevardnadze flew to Sukhumi late on Sunday evening [25 July].

Gamsakhurdia, Kitovani Backers Unite Against Shevardnadze

LD2607064793 Moscow Mayak Radio Network in Russian 0520 GMT 26 Jul 93

[By correspondent Vladimir Mezentsev from Batumi]

[Text] I have been told at Adzharia's Supreme Soviet that armed formations of supporters of Zviad Gamsakhurdia under the command of Loti Kobalia have entered Signakhi, which until now had been under control of the government forces. Tengiz Kitovani's detachments have also arrived there. As is known, recently he and Loti have been inspired by the same aim—to remove Eduard Shevardnadze from office. The united supporters of Kitovani and Gamsakhurdia have brought armored equipment into the town and started the mobilization of the population. It is possible that it has been decided to send new conscripts to Abkhazia. However, from other sources it has become known that both commanders of the armed formations plan to cut off west Georgia from Tbilisi and to begin an armed rebellion against government forces.

Eduard Shevardnadze and Aslan Abashidze, chairman of Adzharia's Supreme Soviet, have had a telephone conversation to discuss the matter. During the conversation Shevardnadze announced that he was planning to bring the government troops into Signakhi and with their help to release the town. Fortunately, there has been no bloodshed. At the request of the head of state Aslan Abashidze held talks with Loti Kobalia and the town's administration of Signakhi. An agreement has been reached to withdraw the armed formations and armored equipment from the town. Abashidze explained his actions under the circumstances by a desire to assist at any price in signing the tripartite treaty between Georgia, Abkhazia, and Russia and in stopping the fratricidal war. However, according to local observers, confrontation can hardly be avoided. We have received the information at the Presidium of the Supreme Soviet of the Adzharian Autonomous Republic.

Georgian Interior Minister Teimuraz Khachishvili, who has arrived in Batumi, has declined to comment on the incident in Signakhi. However, his arrival in Adzharia is linked with exactly this event.

Last night an armored personal carrier of the government's guard was installed near the headquarters of the Supreme Soviet in Batumi. A tank and a detachment of submachine gunners have appeared near the building of the Interior Ministry. Armored vehicles were passing through the town during the night. I will try to report about future events in the evening program.

Shevardnadze Seeks To Reconcile Factions

LD2307194893 Moscow ITAR-TASS World Service in Russian 1814 GMT 23 Jul 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 23 Jul—[Georgian President] Eduard Shevardnadze today managed to temporarily reconcile the parliament and the Cabinet of Ministers and some of the deputies who are demanding the government's resignation. Late in the evening the parliament agreed to limit itself to reorganizing and changing the functions of the Cabinet of Ministers.

The confrontation between the two branches of authority was caused by the draft of the budget, which has a deficit of 218 billion rubles. Moreover, the crisis in the republic led to the hyperinflation of national bank coupons.

The parliament decided to send the draft budget for further drafting, after which it will again be presented for examination.

Eduard Shevardnadze had to use all his influence and authority, since at times it looked as if the debates would take a far from parliamentary turn. For instance, Tengiz Kitovani, former deputy prime minister and defense minister, described his colleagues who have demanded the government's resignation as "thieves, bandits, and monkeys." In reply, they demanded an investigation and public explanations at the forthcoming session.

Prime Minister Tengiz Sigua fanned the flames when he said he has at his disposal compromising material on a number of parties and is ready to present documents revealing their financial machinations. The leaders of some parties called this statement blackmail and demanded that the financial status of all Georgian parties represented in parliament be investigated.

The question of an agreement on a cease-fire in Abkhazia has been postponed until tomorrow's parliamentary session.

Parliament Discusses Confidence in Government

LD2407095293 Moscow Radio Rossii Network in Russian 0900 GMT 24 Jul 93

[Text] Until late last night the Georgian parliament continued to discuss the issue of confidence in the government led by Prime Minister Tengiz Sigua. Nikolay Mumulashvili of the Iprinda news agency is on the line from Tbilisi.

[Mumulashvili] At present the population of Georgia is not going through the best of times. Suffice it to say that the minimum price for a a consumer's basket amounts to 60,000 coupons. This is happening at a time when the average wages in the republic are 10 times lower that the abovementioned figure. This example is a drop in the sea of problems which the republic's Cabinet of Ministers has failed to resolve.

In connection with the grave economic situation in Georgia and on a proposal put forward by the Popular Front, National Democratic, and a number of other parties, the Georgian parliament discussed the issue of confidence in the government on 23 July. The Cabinet of Ministers in its present composition is to exist for another month. This became clear after a speech made by Eduard Shevardnadze summarized the results of two days of discussions by the deputies. The head of state did not defend the government. Moreover, Shevardnadze proposed to the legislators that they draw up and discuss concrete measures for the reorganization of the top level of the executive authorities and presumed, naturally, that this would bring about personnel changes. The parliamentarians, including those who demanded an unconditional resignation of the government, agreed. The ministers who have most likely submitted themselves to the thought of an end to a governing career did not protest. Only several people expressed their doubts at the change of government. They think that it is most unlikely that substituting one prime minister for another will radically change the economic situation in the republic.

Foreign Minister Blames Crisis on Withdrawal of Rubles

LD2307124093 Moscow ITAR-TASS World Service in Russian 1056 GMT 23 Jul 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 23 Jul—In the opinion of Aleksandr Chikvaidze, the government crisis in Georgia has been brought about by the introduction into circulation of National Bank coupons on 5 April this year and the removal of Russian rubles from circulation. In a conversation with journalists, the head of the foreign political department stated today that "in a situation when the economy of Georgia is practically paralyzed, the introduction of a surrogate national currency has brought about hyperinflation and has deprived the Republic of the possibility of mutual settlements with other countries."

"In general, it was not expedient to take the Russian ruble out of circulation," Aleksandr Chikvaidze stressed.

Coupons To Replace Banknotes Beginning 2 Aug

LD2507172693 Moscow ITAR-TASS in English 1654 GMT 25 Jul 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi July 25 TASS—As of August 2, coupons of the Georgian National Bank will be the only legal means of payment in the Georgian territory. This was the response of the Georgian Government to Russia's decision to withdraw from circulation banknotes issued prior to 1993.

In order to help the population who do not trust banks and keep savings at home, it was decided that from July 26 people will be able to exchange within a week up to 100

thousand rubles each for coupons at one to one ratio, although just several days ago the ratio was one to six.

Sigua Interviewed on Budget, Cabinet Resignations

LD2507015793 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 24 Jul 93

[Interview with Prime Minister Tengiz Sigua by correspondent Nino Tskhoidze after the parliamentary sessions examining the issues of the budget and the resignation of the Cabinet of Ministers "late last night"—recorded]

[Text] [Sigua] The session was really unusual. To start with, it is enough to say that the issue of the budget has been on the agenda for two days. However, the budget itself has been almost forgotten. I was left with the impression that some deputies were not interested at all in the issue of the budget, which is pivotal for the Georgian economy. You know that if the budget is not approved, neither the Ministry of Finance nor the National Bank will have the right to make payments. No one is thinking that wages will not be paid, construction work will stop, industries will stop functioning, because they are not financed.

Only three or four deputies' speeches were substantive. They were really addressing the issue of the budget and one could see that they had spent considerable time to study the draft budget. Their remarks were substantive, while the rest said in their speeches: We do not like the budget. Deputies have no right to give the budget such an assessment. If they are not competent in economic issues, it is better not to speak at all. The deputy who spoke before the last speaker was absolutely correct in saying: I do not know what is to be changed; I have heard nothing here. This is why the deputies were asked to submit their proposals in writing. It means that two days have been wasted. These two days were designed for proposals that the finance minister and the whole apparatus of the Finance Ministry who were present should have put down on paper and considered. Then a revised version of the draft budget could have been submitted to parliament.

Now to the issue of the call for government resignation by four or five factions. I was expecting this move, because it had been prepared for some time. For one week they had been running about and collecting signatures. I have expressed my opinion about this. This happened because some members of these parties and some deputies—of course it does not apply to all of them—had been actively involved in securing those enormous credits. They were involved in protectionism and helping certain firms, of course in return for adequate remuneration. Catastrophic results that followed this can already be seen. Large quantities of goods that have strategic importance for Georgia have left the country. These include tea, champagne, cognac, wine, citrus fruit, tinned products and others. Less than 10 percent have returned to us. They smuggled all staple commodities and enriched themselves. There are reports that large amounts in hard currency have been laundered to Western banks. This is now a subject of investigation by the police and the control chamber. A commission of deputies has been formed that will soon report to parliament on the results of its work.

Last November, the Cabinet of Ministers presented its proposal on the cabinet structure. It planned for 17 ministries and four committees, a total of 21, and a cabinet structure [as heard]. This was rejected then. In the beginning, it was said that the number was too large, but finally it went up to 30 by a decision of parliament. This is where interests of various parties came to the surface. Everybody wanted their man to be a minister and they were adding more and more. A structure emerged that was absolutely unacceptable for me personally. Today they know they made a mistake, but find it difficult to admit it. Now they have told the head of state to present a new cabinet structure. I am proposing to them: Take what I suggested last November; the number was 21 then. If it is too large, cut it down to 19. Nothing is easier than that.

[Tskhoidze] What would you say about the decision adopted today.

[Sigua] A compromise decision was adopted today, which instructs the Finance Ministry to re-examine the budget in the course one week, taking into account the remarks and proposals that were made in parliament. This budget cannot be revised substantially. Everybody knows this. When the economy is not functioning, it is inconceivable to have a good budget.

Another decision was adopted that calls for a restructuring and reorganization of the Cabinet of Ministers and instructs the head of state to submit the structure of a reformed cabinet; after this its personification will take place. [sentence as heard]

Some deputies proposed that a commission of deputies be formed to investigate political parties' finances. This proposal was supported. I also proposed that the commission should work together with the Finance Ministry and intelligence bureau to establish finally who is doing what. These issues are intertwined.

[Tskhoidze] Do you believe that a reorganization will happen?

[Sigua] It must happen. In fact, a decision was made to limit the number of ministries and committees, which is what we in fact submitted [last November]. Perhaps, the number will be 19, not 21. All right, let it be 19, but the idea remains the same, which is a cabinet structure and a limited number of executive structures.

[Tskhoidze] Do you think that this will satisfy the deputies who are so adamant in demanding your resignation?

[Sigua] Of course not. They are interested in personnel changes to take place. They want the people who are now working to shed light on their shady business to be removed from power. However, this will not help. The police and the control chamber—and soon they will be joined by the Prosecutor's Office—are at such an advanced stage of the investigation that the departure of Sigua or the cabinet will not stop this investigation.

Estonia

Government of Narva Ratifies Referendum Results

WS2307140493 Tallinn ETA NEWS RELEASE in English 1912 GMT 22 Jul 93

[Text] July 22, 1993—Municipal government of the North-East Estonian city of Narva on Thursday [22 July] ratified the results of the controversial referendum on territorial autonomy which took place July 18-19. Similar referendum was held at the neighbouring town of Sillamae. The referendums had earlier been ruled illegal by Legal Chancellor Eerik-Juhan Truuvali as they infringe on the Estonian constitution's principle of territorial integrity. A statement by the Estonian government earlier this week said that the referendum practically failed as the number of irregularities observed during the voting was too high to give the results any claim to validity.

Although the participation in the voting of many Russian citizens was registered by observers, the Narva City Council at its session on Thursday fixed the referendum turnout at 54.8 percent of the electorate, of whom 97.2 percent supported autonomy.

In its address to the president, government and parliament of Estonia, the council says it would like to negotiate the controversial laws on the basis of the referendum. The council has formed a group of deputies to hold talks with the government. Representatives of the city councils of Narva and Sillamae who met the Prime Minister today said they will abide by the decision of the state court in the referendum matters.

PRAVDA Views Narva Referendum

PM2607123593 Moscow PRAVDA in Russian 24 Jul 93 p 2

[Lembit Annus report under the "Own Correspondents's View" rubric: "What the Referendum Dictates"]

[Text] Narva—The Narva City Council recognized the city referendum as valid and ratified its final results at its regular session. The turnout in the plebiscite was 33,816 or 54.8 percent of the total electorate of Narva: That is to say, 9,205 more people than took part in the election of deputies for the present city soviet two years ago.

These dry figures, it was noted at the session, graphically refute the Estonian Government's insinuations about the inhabitants of Narva's nonparticipation in the referendum. Incidentally, only 5 percent of the electorate or less than 4,000 inhabitants of Narva took part in the voting for the president and members of the state assembly of the Estonian Republic one year ago. No comment is needed, so to speak.

There is another aspect, too: 32,885 people or 97.2 percent of the total number of those who took part in the referendum voted in favor of granting Narva the status of a national-territorial autonomous entity within the Estonian Republic. No matter how ingenious the opponents of the referendum regarding its constitutionality and legality might now be, the plebiscite has shown the Estonian people and the whole world that the people of Narva do not wish to become second-class people, social outcasts in their own hometown. The referendum has also showed the firm determination of the inhabitants of Narva to defend their right to freedom, human dignity, peace and quiet, and a prosperous future for themselves and their children.

Deputies appealed to the president and the government of the republic, urging them to engage in talks to elaborate Narva's administrative and legal status within the Estonian republic. A deputies' commission was formed at the session for participation in talks. It is now up to Tallinn.

Narva, Sillamae Council Chairmen View Talks With Laar

LD2307143593 Moscow ITAR-TASS in English 1100 GMT 23 Jul 93

[By ITAR-TASS correspondent Yevgeniy Kapov]

[Text] Ida-Virumaa July 23 TASS—Chairmen of the Narva and Sillamae city councils Vladimir Chuikin and Aleksandr Maximenko as well as chairman of the Narva trade union centre Vladimir Alexeyev described as encouraging their meeting with Estonian Premier Mart Laar. The meeting was held on Thursday [22 July] at the premier's initiative.

"The sides stated the existence of problems in the region, including those which were previously denied by Tallinn. We discussed ways of pulling out of the acute economic crisis," said Maximenko.

He was not inclined to connect the meeting with the decisions taken by city councils of the north-eastern Estonian area, which approved the results of the polls on ethnic-territorial autonomy: the invitation from the prime minister had been received earlier.

In the opinion of the meeting participants, the government's intention to set up an expert group to draft anti-crisis measures is the start of a constructive dialogue. Maximenko holds that these problems should be examined as a package.

"Turning to economic issues, the premier said that 'there are no differences in this sphere'", Alexeyev noted. "We also discussed the issue of elections, making specific proposals. It seemed to us that some of them gained the prime minister's understanding."

A round-table meeting which will be held on Friday [23 July] and which was formed at the initiative of the Estonian president to settle the problems of Russian-speaking population in the republic will continue the started dialogue.

Local Elections Seen as 'Best Solution'

WS2307141693 Tallinn ETA NEWS BULLETIN in English 0658 GMT 23 Jul 93

[From 23 July RAHVA HAAL, p 1]

[Text] Friday, July 23—Prime Minister Mart Laar met the leaders of the Russian Representative Assembly yesterday, the government press service announced. Heads of the Narva and Sillamae town councils Chuikin and Maximenko attended the meeting and assured that they will accept the State Court ruling concerning the referendums. Social and economic problems of the region and chances for attracting outside investors were discussed. Both sides agreed that correctly conducted local elections will be the best solution for the problems. Minister Jiri Luik attended the meeting.

Government Guarantees Not To Produce Chemical Weapons

WS2307140793 Tallinn ETA NEWS BULLETIN in English 0658 GMT 23 Jul 93

[Text] Friday, July 23—The Estonian government gave a guarantee on Estonia's refusal to produce chemical weapons on Tuesday [20 July]. The guarantee concerned the use of trietanolamyd, a component used for the production of cement. The small amounts concerned prevent any possibility of its use for any other purposes, Department Head of the Environment Ministry Aadu Kana announced.

Foreign Minister Meets EC Commission Vice President

LD2307203493 Tallinn Radio Estonia in English 1520 GMT 23 Jul 93

[Text] Estonian Foreign Minister Trivimi Velliste met today with the vice president of the European Community Commission, Henning Christophersen. Christophersen is in Estonia on a one-day visit. The main issue of the talks was the Baltics' prospects of joining the European Community in future.

Christophersen spoke highly of Estonia's economic progress and he emphasized that the country's administrative development is important as well. The problems of Estonia's security and its leading role at the Council of Baltic Sea Countries were also discussed.

British Foreign Office Official Visits Narva

LD2207174893 Tallinn Radio Tallinn Network in Estonian 1400 GMT 22 Jul 93

[Text] According to an ETA [ESTONIAN TELEGRAPH AGENCY] report, David Logan, an under secretary of state of the Foreign Office of Great Britain, visited today Narva. He also met representatives of the town council. Tomorrow David Logan will be received by Prime Minister Mart Laar. Logan will also meet Ministers Trivimi Velliste and Liia Hanni, and Vello Saatpalo, chairman of the Foreign Commission of the Riigikogu [parliament]. David Logan is the leader of a delegation of Great Britain [words indistinct]